

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 8

AUGUST, 1984

PAPER AND PAPERBOARD: PRODUCTION RATES AT NEW HIGHS

Producers of paper and paperboard experienced less than normal downtime during the July vacation, maintenance and repair period, and the seasonally adjusted rates of paper and paperboard production moved to new highs. The July trend position of paper production (average of the June-July seasonally adjusted rates) was 34.8 million tons per year; paperboard, 34.6 million tons per year for a total of 69.4 million tons per year. The rate for all grades was 7.8% ahead of the comparable year-ago period and 6.5% above the average rate for all of 1983. The smaller percentage increase over the 1983 average reflects the strong increase in production that occurred in the second half of 1983. The 1983 total production at 65.1 million tons, was considerably higher than the first-half average rate of 63.0 million tons per year.

PAPER: The rate of paper production in the first seven months of 1984 was a record high, with the unadjusted total 8.4% ahead of the 1983 total for the corresponding period. Three of the four major paper grade groups--newsprint, printing-writing papers and packaging & other papers--showed gains that were up to 1.2% greater than the average; tissue paper production showed a gain of 2.8%. (See table on page 3). In some instances, the strength in production was derived from earlier orders, and in these cases the backlog of unfilled orders declined sharply. This was particularly true of the uncoated free sheet grades, where the unfilled order backlog fell from 686,000 tons as of the end of 1983 to 398,000 tons as of the end of July, 1984. While this drop is large in terms of unfilled orders, total new orders for uncoated free sheet papers for this period were at an 8.8 million tons per year rate, only 5% below the rate of shipments. There was also an increase in inventories at printing-writing paper mills of about 100,000 tons, largely in the uncoated free sheet grades.

Continued on Page 2

The rate of shipments of uncoated free sheet papers in the first seven months of 1984 was about 9.2 million tons per year, equivalent to over 95% of the reported annual capacity. Imports of these grades of paper in the first half of 1984 (latest available data, see page 9) were at the annual rate of 527,000 tons, compared to 236,000 tons for all of 1983. Exports, at 67,000 tons per year, were 8% above their year-ago level, so that the rate of new supply for the first seven months of 1984 was 9.7 million tons per year.

New orders for coated papers and uncoated groundwood papers were above their corresponding shipments totals in the first seven months of 1984. The seasonally adjusted trend of groundwood paper shipments remained flat, while the seasonally adjusted rate of coated paper shipments continued its upward trend. For both these grades the average rate of production was close to capacity, and for both imports were sharply above their year-ago levels. Groundwood paper imports, at an annual rate of over one million tons per year, accounted for 40% of the new supply of that grade, while imports of coated papers, at an annual rate of 330,000 tons, accounted for 5% of the coated paper new supply. Furthermore, the consumption of coated papers in two major markets--magazine publishers and commercial printing--remained strong throughout the first half of 1984.

In sum, there seems to be considerable strength in demand for printing-writing papers, with demand in most major markets at record-high levels that are, for the most part, well above those of the year-earlier period.

Demand for the packaging grades of paper is also showing unusual strength so far this year. As the table on page 3 shows, shipments of kraft papers in the January-July 1984 period were 6.6% above their year-ago level, while production of the other packaging and industrial grades rose 13%. The wrapping and grocers bag and sack grades of unbleached kraft papers showed gains close to the average, while the increase in demand for the other converting grades was untypically much greater.

PAPERBOARD: The strength in the demand for paperboard was well distributed throughout the grade structure. As the table on page 3 shows, production of containerboard for domestic use

PAPER AND PAPERBOARD STATISTICS

Page 3

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

	YEAR		APRIL	MAY	JUNE	JULY	Annual Rate Y-T-D 1984	% Change From same Period Last Year
	1982	1983	1984	1984	1984	1984		
PAPER					R	P		
Newsprint - Production	5042	5187	485	481	468	451	5378	8.3
- Shipments	4988	5153	484	497	461	455	5870	12.4
Printing & Writing	15611	17387	1528	1611	1547	1426	18480	8.7
Groundwood Paper - Shipments	1471	1531	133	133	131	127	1581	7.8
- New Orders	1481	1581	138	117	125	131	1624	7.5
- Unfilled Orders	92	159	184	173	165	172	172	43.9
Coated Paper - Shipments	4974	5896	510	548	524	478	6187	14.5
- New Orders	4941	5886	518	489	542	505	6250	8.2
- Unfilled Orders	322	546	568	508	510	549	549	-6.0
Unctd Free Sheet - Shipments	7855	8755	757	804	764	707	8230	7.3
- New Orders	7827	9077	697	773	695	675	8790	-3.3
- Unfilled Orders	321	688	522	502	427	398	398	-38.8
Thin Paper - Shipments	329	328	29	29	31	25	345	2.8
Cotton Fiber Paper - Shipments	120	131	13	12	12	8	142	11.7
Bleached Bristols - Production	862	934	87	86	84	80	885	8.8
Tissue Paper - Production	4438	4790	402	412	402	401	4865	2.8
Total Packagins & Other Paper	5300	5633	494	495	472	484	5810	8.7
Unbl. Kraft Paper - Shipments	3688	3807	331	323	316	328	3832	6.8
Other Paper - Production	1812	1828	183	172	158	158	1977	13.2
TOTAL PAPER-Production-Unadj. *	30390	32977	2888	2999	2888	2762	34843	8.4
-Production-S.A. *			2878	2894	2820	2874	34587	7.8
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22583	24778	2201	2324	2281	2174	28670	8.2
Unbl. Kraft Linerboard (1)	13494	15001	1343	1426	1388	1284	16153	8.7
Production For Export	1931	2281	181	188	180	178	2083	-10.6
Other Unbl. Kraft Paperboard	1040	1121	83	113	107	101	1189	4.7
Semichemical Paperboard	4389	4730	427	438	443	436	5201	12.2
Production For Export	185	193	13	12	10	8	143	-32.4
Solid Bleached Paperboard	3665	3826	348	348	342	344	4117	5.0
Production For Export	525	514	42	37	41	38	482	-12.1
Recycled Paperboard	6478	7398	687	688	673	608	8075	11.2
Production For Export	13	24	1	1	1	1	13	-57.8
TOTAL PAPERBOARD-Prod.-Unadj. *	29065	32177	2888	3012	2954	2780	34745	8.8
- Containerboard Prod.(Dom. Use)	17508	18173	1739	1830	1807	1703	21081	12.6
- Boxboard Prod.(Dom. Use) (2)	5150	5551	506	500	481	475	5945	8.1
- All Other P'bd Prod.(D.U.) (2)	3753	4397	405	448	433	381	4989	16.2
- Total Paperbd Prod. For Export	2854	3012	238	238	233	221	2731	-12.8
TOTAL PAPERBOARD PROD.- S.A. *			2790	2839	2854	2917	34135	8.2
TOTAL PAPER AND PAPERBOARD								
Production - actual *	59456	65154	5778	6011	5842	5543	69588	9.0
Production - S.A. *			5670	5733	5674	5881	68722	8.5

(1) Includes all exports of kraft paperboard.

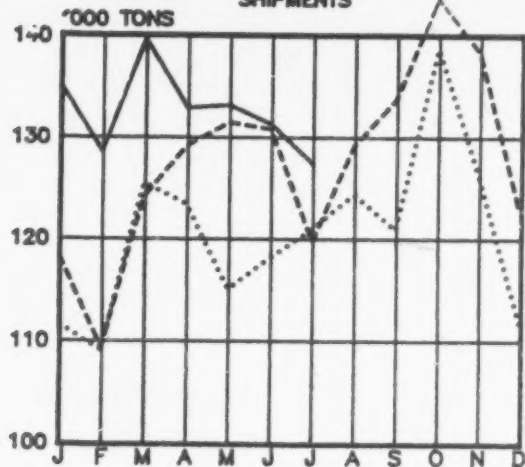
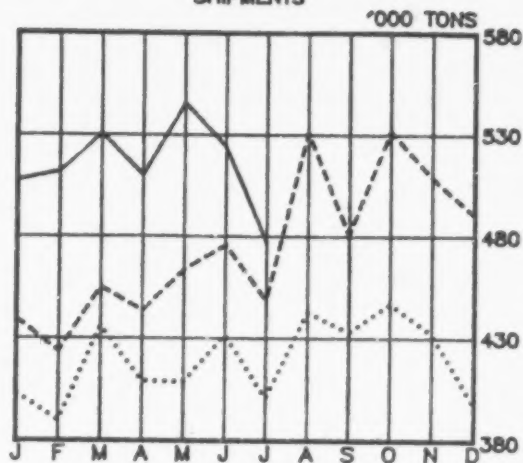
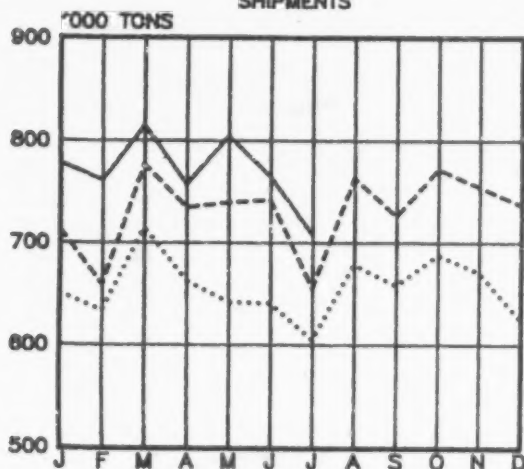
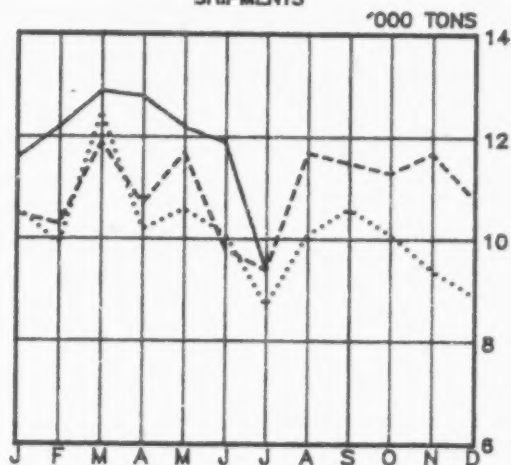
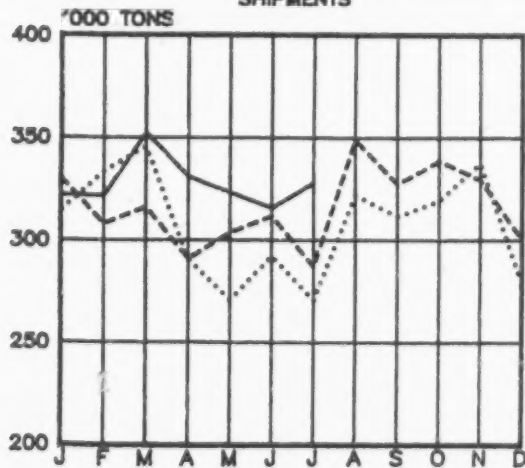
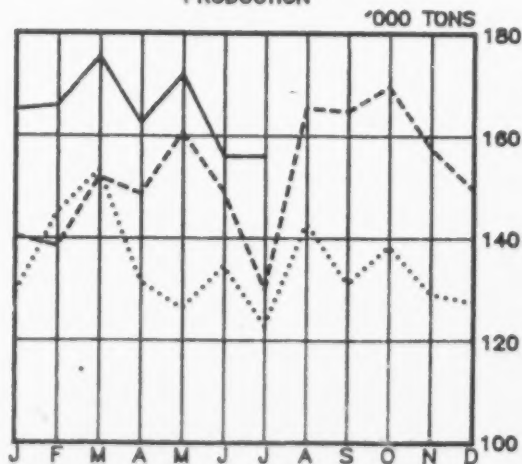
(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.

* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary

R Revised

S.A. Seasonally Adjusted

GROUNDWOOD PAPER, UNCOATED
SHIPMENTSCOATED PAPER
SHIPMENTSUNCOATED FREE SHEET PAPERS
SHIPMENTSCOTTON FIBER PAPER
SHIPMENTSUNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTSOTHER PAPER
PRODUCTION

1982 1983 ----- 1984 ———

WOOD PULP STATISTICS (Thousands of Tons)

	YEAR		MARCH	APRIL	MAY	JUNE	Annual Rate Y-T-D	% Change From same Period Last Year
	1982	1983	1984	1984	1984	1984	1984	
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	48334	52537	4858	4722	4768	4892	56186	7.8
- Imports	3656	4093	341	338	387	360	4388	12.1
- Exports	3385	3644	374	249	336	307	3685	1.4
- New Supply	48595	52988	4825	4811	4820	4745	56868	8.5
Dissolving Pulp - Production	1092	1281	106	117	108	100	1271	-4.4
- Imports	186	182	20	8	17	7	157	-28.5
- Exports	631	647	74	53	47	57	642	1.7
- New Supply	647	808	52	71	80	50	785	-13.8
Paper Grades - Production	39478	42358	3921	3783	3830	3761	45083	7.4
Chemical Pulp - Imports	3302	3706	301	309	349	331	3848	12.2
- Exports	2738	2958	295	182	283	243	2881	1.2
- New Supply	40044	43106	3926	3900	3898	3850	46050	8.2
Groundwood and Thermo-Mech. - Production	5064	5087	466	472	476	482	5625	12.7
- Imports	167	195	20	21	21	22	263	61.4
- Exports	27	40	4	4	7	6	52	4.8
- New Supply	5204	5222	482	489	489	498	5836	14.3
Semi-Chemical - Production	3699	3851	365	351	355	348	4186	8.7
- Imports	0	0						
- Exports	0	0						
- New Supply	3699	3851	365	351	355	348	4186	8.7
			----- Included with Groundwood Pulp -----					
			365	351	355	348	4186	8.7
MARKET WOOD PULP								
Total Market - Production	5732	6478	582	584	561	554	6787	4.8
Wood Pulp - Imports	2443	2845	283	269	274	255	3171	11.9
- Exports	3143	3421	332	281	285	313	3582	3.1
- New Supply	5031	6002	544	572	540	486	6366	9.3
Dissolving Pulp - Production	1088	1260	106	117	110	100	1268	-4.8
- Imports	194	210	21	12	24	11	204	-0.7
- Exports	675	698	83	61	63	61	734	0.4
- New Supply	608	772	44	68	71	50	738	-8.1
Paper Grades - Production	4643	5206	485	467	450	453	5505	7.2
Chemical Pulp - Imports	2202	2698	259	252	242	238	2898	11.4
- Exports	2468	2723	249	220	232	252	2858	3.9
- New Supply	4377	5181	485	498	460	438	5544	11.3
Groundwood Pulp - Production	1	12	1	1	1	2	14	20.7
and All Other - Imports	46	38	3	13	8	8	85	208.1
- Exports	1	0	0	0	0	0	0	0.0
- New Supply	46	48	4	14	8	8	88	153.5

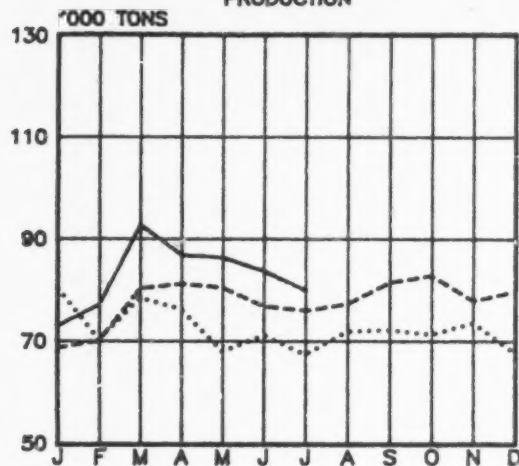
SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS (Thousands of tons)

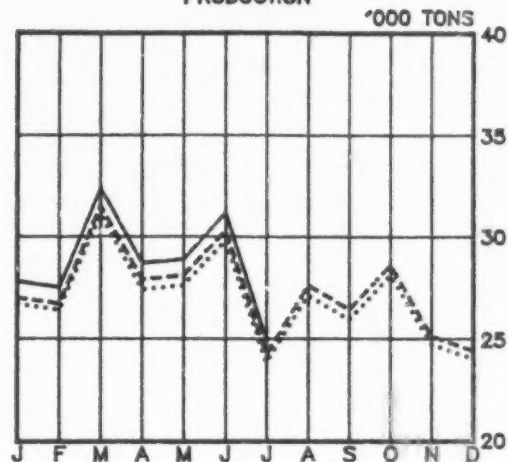
CONSUMPTION AT PAPER & PAPERBOARD MILLS			R		P			
Total	61332	65517	6030	5888	6107	5852	70682	8.3
Total Wood Pulp	47787	50978	4646	4535	4710	4558	54884	8.8
Waste Paper	13565	14539	1384	1353	1397	1294	15998	11.0
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	154	157	146	159	159	-18.0
Market Pulp at Pulp Mills	437	384	324	341	329	319	318	-25.8
Mkt Pulp at Ppr. & Bd. Mills *	429	504	588	618	594	596	596	33.9
Waste Paper at Paper & Bd. Mills	1022	920	896	886	858	870	870	0.0
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	28	21	22	21	25	25	-16.7

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
e - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

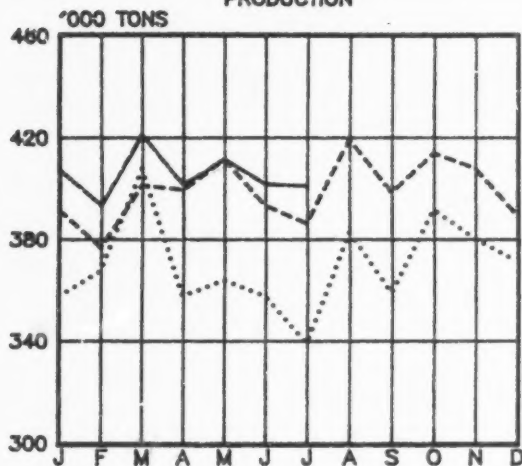
BLEACHED BRISTOLS PRODUCTION



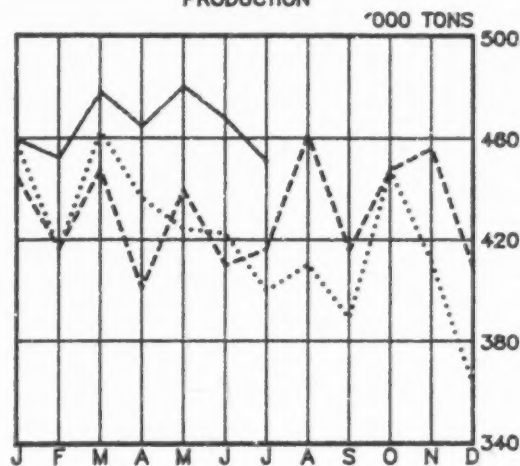
THIN PAPER PRODUCTION



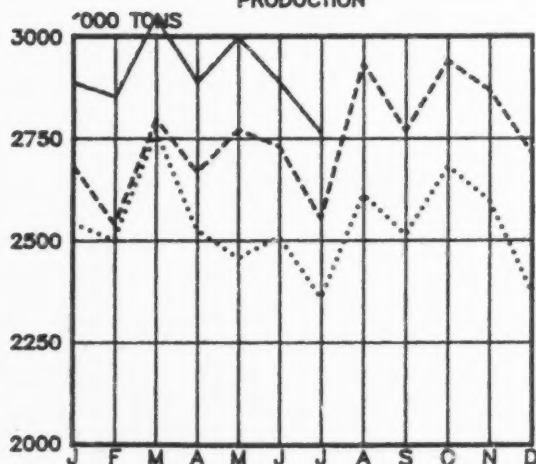
TISSUE PAPER PRODUCTION



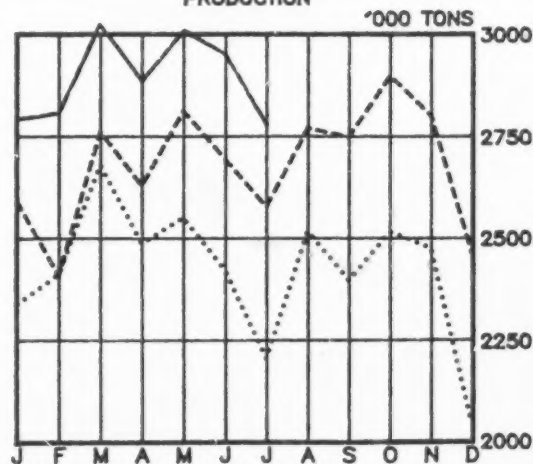
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

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(Thousands of Standard (128 cubic foot) Cords)								Annual	% Change
		YEAR		MARCH	APRIL	MAY	JUNE	Rate	From same
		1982	1983	1984	1984	1984	1984	Y-T-D	Period
								1984	Last Year
PULPMOOD									
Total U.S.	- Total Receipts	78519	84475	7619	7100	7425	7423	88090	6.5
	- Total Consumpt.	78039	85442	7660	7344	7439	7284	88374	4.0
	- Residues *	31152	32755	2876	2755	2817	2652	32934	1.8
	- Inventories	5426	5229	5157	4777	4782	4682	4682	-1.7
So. Atlantic	- Total Receipts	23769	25738	2243	1970	2285	2402	26388	3.5
	- Total Consumpt	23725	25847	2275	2020	2212	2290	26372	1.8
	- Residues *	8273	7904	689	624	715	721	8168	5.6
	- Inventories	1165	1163	1017	900	1033	1080	1080	5.1
Northeast	- Total Receipts	7283	7051	643	535	568	606	7390	9.5
	- Total Consumpt	7221	7274	673	693	586	648	7840	7.8
	- Residues *	1452	1199	113	127	125	113	1398	15.9
	- Inventories	652	577	611	459	410	375	375	-14.8
South Central	- Total Receipts	26510	28409	2625	2634	2638	2705	30782	8.2
	- Total Consumpt	27133	29152	2641	2539	2591	2575	30418	5.2
	- Residues *	9618	9218	762	781	748	789	9000	-1.3
	- Inventories	1346	1536	1350	1375	1381	1426	1428	18.5
North Central	- Total Receipts	5801	6285	633	439	554	582	7034	12.8
	- Total Consumpt	5706	6343	611	552	590	560	6858	6.8
	- Residues *	1517	1822	130	111	146	136	1542	-15.5
	- Inventories	825	851	1030	890	838	821	821	3.0
West	- Total Receipts	15356	16014	1475	1521	1382	1128	16486	4.4
	- Total Consumpt	15234	16826	1460	1540	1460	1191	16886	2.3
	- Residues *	11294	12612	1182	1132	1083	913	12828	3.1
	- Inventories	1338	1102	1149	1153	1122	980	980	-24.4

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

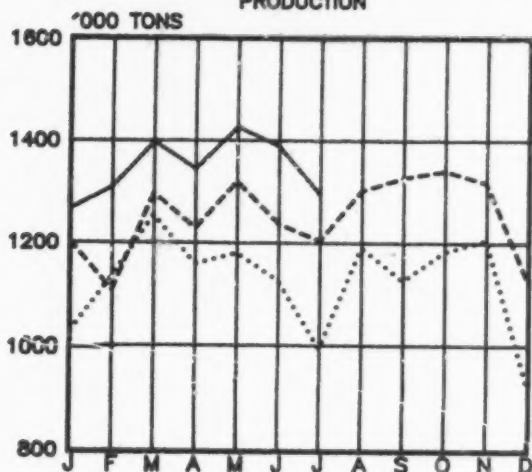
	YEAR 1983		MAY 1984		JUNE 1984		Annual	% Change
	Tons	\$000	Tons	\$000	Tons	\$000	Rate Y-T-D 1984	From same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	17285	1022	11893	605	180208	66.5
Pulpwood Chips	1987168	48979	159236	2597	135223	2992	2504084	28.1
Wood Pulp, Total	3755201	1363975	334127	144240	347754	148587	4018192	13.7
Waste Fibrous Materials, Total	157732	26481	14411	2258	13482	2421	159852	5.8
Paper, Board & Products, Total	8274914	3372726	747705	319242	849271	359401	9055268	12.2
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	742036	308865	844216	350006	8990362	12.0
Paper Paperboard & Products	7846516	3277874	712265	311177	812131	351025	8847086	13.1
Paper & Paperboard, Only	7792924	3179310	706595	300800	807076	341631	8582159	13.0
Paper, Total	7633585	3139193	687133	295077	793533	337613	8348849	12.2
Newsprint	8845135	2732234	615912	256831	716102	295467	7471060	11.2
Printings, Writings & Rel. Pap.	695907	348512	60022	31763	66850	35185	753648	18.2
Pack. & Ind. Conv. Paper	78209	48889	8422	5192	8968	5517	108378	39.0
Special Industrial Paper	2732	4473	288	502	275	492	8163	16.3
Tissue Paper	10602	7085	1480	390	1337	853	15600	87.8
Paperboard, Total	159339	40117	18462	5723	13543	4017	232310	54.8
Converted Paper & Paperboard Products	53592	98664	5670	10377	5055	9395	64927	35.0
Wet Machine Board	3036	1916	200	147	168	106	2558	-22.1
Construction Paper & Board	425362	92838	35240	7918	36972	8270	405635	-4.8

EXPORTS TO CANADA

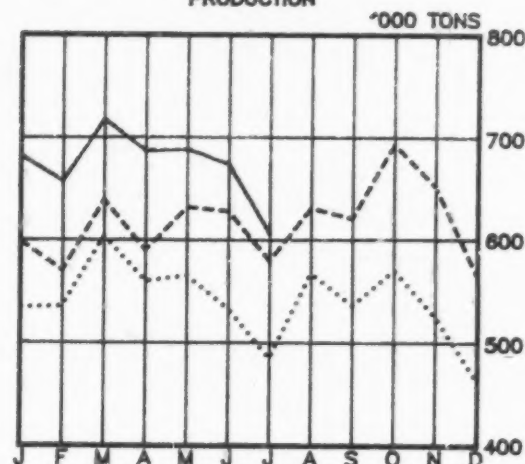
Pulpwood, Roundwood (in cords of 128 cubic feet)	88965	4381	7954	473	13135	980	72686	26.2
Pulpwood Chips	98246	2026	5457	234	1743	80	36020	-5.4
Wood Pulp, Total	133633	55369	18749	7872	9675	4600	167586	16.6
Cotton Pulp & Other Pulp	8567	5287	842	525	793	536	11284	38.8
Waste Paper	346809	39478	35751	4028	28094	3380	332378	0.3
Paper, Board & Products, Total	858229	471256	80755	53069	59002	42659	797523	21.4
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	62541	37651	43097	28911	580539	28.7
Paper, Paperboard & Products	628109	459325	77508	51530	58403	41556	765618	23.0
Paper & Paperboard, Only	416998	294758	59295	36112	40498	27808	548633	29.5
Paper, Total	230771	210626	36381	26994	20425	18858	316184	33.0
Newsprint	4312	3805	384	416	319	271	5624	58.0
Printings, Writings & Rel. Pap.	125110	101541	14827	13833	8906	9277	141056	12.6
Pack. & Ind. Conv. Paper	34403	20821	5137	2972	2289	1485	46578	30.3
Special Industrial Paper	83390	81389	15819	9481	7759	7592	120183	83.0
Tissue	3558	2989	224	283	152	235	2713	-35.0
Paperboard, Total	186228	84131	22904	8118	20073	8949	232489	25.1
Converted Paper & Paperboard Products	211112	164568	18214	15417	15908	13748	216884	9.2
Wet Machine Board	5289	2978	854	540	436	308	5547	-17.8
Construction Paper & Bd. E	25931	8955	2392	989	2163	797	26358	-5.2

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

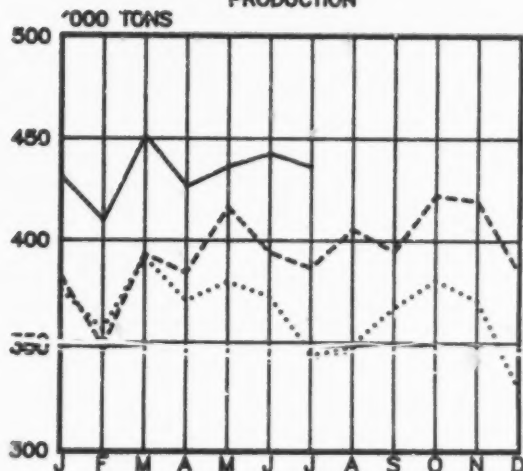
UNBLEACHED KRAFT LINERBOARD PRODUCTION



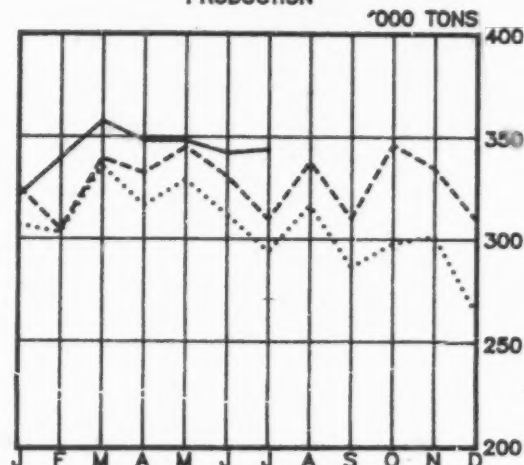
RECYCLED PAPERBOARD PRODUCTION



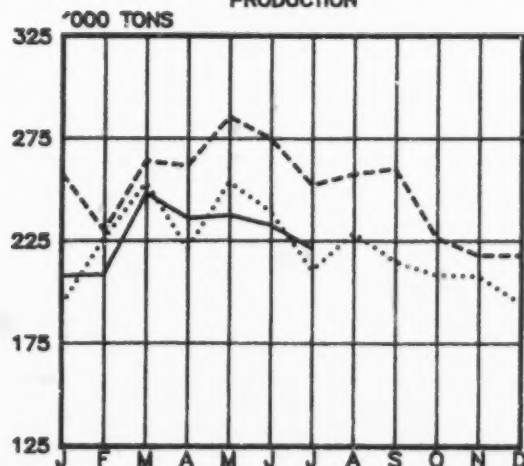
SEMICHEMICAL PAPERBOARD PRODUCTION



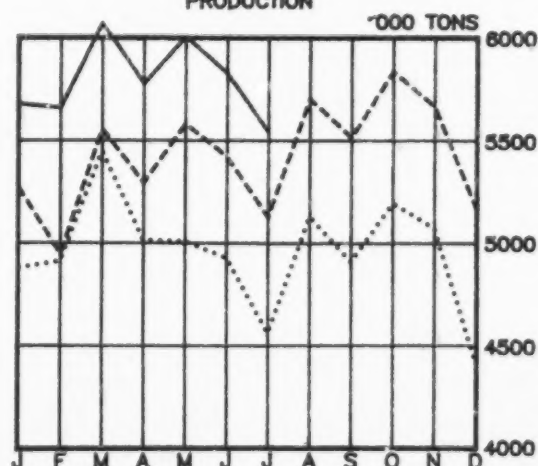
SOLID BLEACHED PAPERBOARD PRODUCTION



PAPERBOARD FOR EXPORT PRODUCTION



TOTAL PAPER AND PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

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I M P O R T S

(1)

Annual
Rate
Y-T-D
1984% Change
From same
Period
Last Year

	YEAR 1983		MAY 1984		JUNE 1984			
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood Roundwood (cords)	135124	7471	17345	1032	11993	605	180308	68.6
Pulpwood Chips	1891453	49104	159251	3801	135224	2992	2504426	27.5
Total All Imports	13248280	5528141	1331980	808415	1382987	626678	15281208	20.5
Wood Pulp Total	4083436	1472478	387056	165205	360488	153248	4367522	12.1
Waste Paper	100410	10537	8595	835	12790	1638	115058	25.5
Other Fibrous Materials	88003	24272	6834	2403	6119	2278	70703	0.4
Paper, Board & Products Total	8986431	4018855	828675	439972	1003589	469515	10727824	24.4
Paper, Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	809685	395135	987534	427042	10524238	24.0
Paper, Pbd & Prds ex Cnst&HMB	8508180	3911581	889511	431016	863486	460391	10278810	28.1
Paper & Paperboard Only	8357308	3475028	870521	386178	847431	417918	10073125	25.7
Paper Total	8185481	3428868	849738	379754	831250	412809	9820941	25.1
Newsprint	6919348	2757524	653970	269867	740473	303870	7685254	13.2
Printings & Writings	1151011	587428	179122	98902	176711	88654	1856318	105.1
Uncoated Groundwood	732237	331017	103143	51007	102888	50788	1042502	82.0
Uncoated Book	154147	88632	21320	13021	17117	11124	270215	98.3
Coated Print. & Impres. Pap	162441	101289	32240	21466	33474	22508	330262	184.2
Bristols	471	557	36	36	71	87	847	81.8
Writings and Similar Paper	81458	46718	18510	10876	16389	9622	258891	411.4
Thin (except Cigarette)	20258	18213	2873	2488	6772	4516	55801	270.7
Total Pks. & Other Paper	107515	75694	14762	8698	12314	8906	160357	57.3
Unbleached Kraft Paper	42013	17454	3102	1398	3358	1663	49388	28.3
Other Pks. & Indust. Paper	65503	58240	11680	8302	8856	7243	110869	74.1
Tissue	11617	8225	1865	1288	1752	1278	19012	88.4
Paperboard, Total	167818	46180	20783	8425	16181	5109	252184	56.5
Test or Containerboard	48118	13042	5258	1705	4418	1493	73389	46.2
Semi-Chemical Corrugating	69584	14508	9428	2435	5768	1517	110089	78.3
Other Paperboard	50138	18608	6100	2285	5994	2089	68686	38.7
Convtd Paper&Paperbd Products	151872	438563	18980	44837	18055	42473	203685	52.2
Paper Products, Total	124816	373986	18195	39286	13561	36835	174333	61.2
Paperboard Products, Total	27055	62597	2795	5552	2484	5638	28352	14.3
Wet machine Board	3584	2422	244	183	242	167	3313	-9.3
Construction Paper & Board	473867	104842	38920	8772	39860	8957	447801	-4.7
Notes								
Other: No Weight Avail. (\$000)		148251		16449		16047	184842	45.0
Total Imports Incl. Other(\$000)		5674392		624863		642726	7021552	20.8

E X P O R T S

(1)

	YEAR 1983		MAY 1984		JUNE 1984			
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood Roundwood (cords)	69487	4405	7954	473	13135	980	73346	25.1
Pulpwood Chips	2554176	171269	183034	11865	231533	15329	2342614	-8.8
Total All Exports	10888949	4221511	1051082	427516	1015182	416946	11484145	8.1
Wood Pulp Total	3643963	1362022	336388	145814	308589	133108	3685382	1.4
Cotton Pulp and Other Pulp	102863	68805	6022	4961	7858	6758	81148	-6.1
Waste and Old Paper	2573716	308915	278543	35813	278084	36246	3135528	34.3
Paper, Board & Products Total	4568407	2480769	430128	240823	424681	240835	4564089	0.2
Paper, Paperboard Wet Machine Bd. & Construction Paper & Board	3884277	1717788	381359	174877	373172	167528	3955768	-0.8
Paper, Pbd & Prod ex Cnst&HMB	4501039	2448779	422778	236845	418748	237584	4480253	-0.1
Paper & Paperboard Only	3915910	1885778	374008	170899	367238	164277	3871833	-1.1
Paper, Total	773414	598370	84097	67117	57888	48553	830586	5.5
Newsprint	294870	127118	59628	18049	21177	8210	312376	10.1
Printings & Writings	201788	188304	20624	21597	14219	15947	208508	4.8
Uncoated Groundwood	37288	33300	3057	2758	2140	1837	35022	-11.4
Clay Coated Paper	78182	60033	8036	7069	6077	5302	82236	18.6
Uncoated Free Sheet	58125	71682	7081	8918	4860	6840	68852	8.0
Other Printings & Writings	26202	33310	2451	2851	1142	2068	20398	-23.8
Total Pks. & Other Paper	260865	255086	32570	25528	20762	21461	280621	1.7
Unbleached Kraft	116170	43227	10587	4360	7566	3026	107384	-10.7
Other Pks. & Indust. Paper	144695	211859	21884	21188	13188	18435	183257	10.7
Tissue	15881	18861	1275	1941	1730	1836	18080	-1.8
Paperboard, Total	3143486	1086408	278811	103782	308352	115724	3041347	-2.8
Solid Wood Pulp	2883868	1018184	283421	96708	296789	108665	2887850	-3.1
Total Linerboard	2254538	575862	182744	57501	225703	68825	2111708	-4.3
Bleached Kraft Linerboard	180253	64914	6748	3093	3093	3833	125713	2.8
Unbleached Kraft Linerboard	2084285	510948	185995	54408	216611	87082	1985883	-4.7
Other Unbleached Kraft	107141	51822	12820	5203	9559	4693	127218	18.1
Other Bleached Kraft	558431	371357	50325	31709	58651	35450	608423	6.7
Semi-Chemical Corrugating	73758	17144	7533	2284	1885	597	42601	-56.8
Recycled Paperboard	148628	70224	16490	7075	12553	6059	153387	4.1
Convtd Paper&Paperbd Products	584128	783001	48770	65846	51508	73307	608321	6.8
Paper Products, Total	311722	535596	25007	46079	27878	51572	321828	4.3
Paperboard Products, Total	272408	227408	23783	19867	23630	21735	286393	9.8
Wet Machine Board	11622	5420	2185	1048	579	388	13688	-6.4
Construction Paper & Board E	55748	28570	5185	2828	5354	2853	70137	23.3
Notes								
Other: No Weight Avail. (\$000)		7985		650		761	7698	14.8
Total Exports Incl. Other(\$000)		4228475		428167		417707	4592204	8.1

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

Annual
Rate
Y-T-D
1984

% Change
From same
Period
Last Year

1982 1983 APRIL MAY JUNE JULY

Pulp, Paper and Products except Building Grades	273.2	271.4	290.1	292.7	293.3	295.8	289.2	7.5
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper #	275.9	273.3	290.6	297.7	293.9	296.3	290.3	8.9
Total Wood Pulp	379.1	347.1	382.3	405.1	407.6	410.6	389.9	13.2
Total Paper	286.3	282.3	300.6	301.3	301.4	307.9	300.2	7.6
Total Paper, exc. Newsprint	278.3	277.0	299.7	300.7	300.9	304.5	299.6	9.6
Newsprint	315.8	303.0	316.0	314.8	314.8	334.7	316.5	6.0
Total Paperboard	234.8	230.8	275.4	276.9	279.1	279.1	273.7	10.8
Total Paper and Paperboard #	276.5	272.4	292.7	293.6	294.4	298.9	291.9	8.5
Converted Products	264.4	265.4	277.7	280.6	280.8	281.9	277.1	4.7
Waste Paper	121.1	158.6	258.8	259.3	257.3	254.7	244.8	94.9
All Commodities	299.3	303.1	311.4	311.7	311.4	312.0	310.6	3.1
Industrial Commodities	312.3	315.7	322.5	323.3	323.9	324.0	322.2	2.5

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

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Continued from Page 2

was up 12.6% in the first seven months of 1984; boxboard for domestic use up 8% and demand for other paperboard for domestic use up 16%. Only export demand was down from year-ago rates, but the production for export in the four months shown in this table was still at a rate that was quite high by historic standards.

The 13% increase in the production of containerboard for domestic use compares with the 9.0% increase in shipments of fibre boxes as reported by the Fibre Box Association. The seasonally adjusted rate of fibre box shipments in the first seven months of 1984 was about 268 billion square feet per year, which compares quite favorably with the record high total of 253 billion square feet shipped in 1983. The major markets for fibre boxes are, of course, in the industrial production sector of the economy. Total industrial production, as measured by the Federal Reserve Board's index, was 13.5% above its year-ago level in the first seven months of 1984, with the important non-durable goods sector up 9.4% (see enclosed Industry Data Sheet). Production of industrial equipment, which includes some important markets for fibre boxes, was up nearly 17%.

Continued on Page 11

Part of the difference between the production of containerboard and shipments of fibre boxes is explained by the growth of inventories. In the first seven months of this year, inventories of containerboard at box plants and paperboard mills increased by 354,000 tons. This brought the inventory level to 7.4 weeks of supply at current holiday-adjusted rates of shipments, compared to 7.2 weeks at the end of 1983 and 7.4 weeks at the end of July 1983.

While production of boxboard for domestic use showed a somewhat smaller gain than did containerboard, the boxboard gain in 1984 of 8% over the first seven months of 1983, which followed an earlier 8% gain from 1982 to 1983, reversed the trend of the preceding ten years. Total boxboard production for domestic use had declined by 14% from 1973 to the recession low of 1982. The first half 1984 rate is estimated to have recovered nearly all that loss, reaching a level within 2% of the 1973 peak. In that earlier year, however, a sizeable part of the total demand reflected excessive inventory accumulation by end users; while inventory increases have escalated somewhat in the first half of this year, the gains are supportable by sales.

The largest gains in the boxboard grades continued in the non-packaging grades, such as gypsum wallboard facings and panelboard, but the production of both folding and set-up boxboard also showed strong gains relative to their past performances. The milk carton and food service grades held close to their year-ago levels for the entire January-July 1984 period, although the July 1984 total was sharply above that of July, 1983. Production of solid bleached paperboard for export, however, was some 12% below its year-ago level.

FIBROUS RAW MATERIALS

Shipments of chemical paper grade market pulp in July 1984 continued the trend evident in the first half of the year, with total shipments showing some increase over year-ago level, and shipments to the domestic markets remaining much stronger than shipments for export. For the entire January-July 1984 period, total shipments of chemical paper grade market pulp were 8% over their corresponding 1983 level; shipments to the domestic market

were up 15% (largely reflecting the strength in production of the printing-writing papers) and shipments for export were up 1.2%. Total production of chemical paper grade market pulp in this period was at the rate of 5.5 million tons per year, 7% above its year-ago level and equivalent to 97% of its reported capacity.

Total wood pulp production in the first half of 1984, as shown in the table on page 5, was at the rate of 56.2 million tons per year, 7.8% above the corresponding 1983 rate and about at its capacity level. The strong demand for wood pulp was also reflected in the rate of imports: total wood pulp imports in this period was at the rate of 4.4 million tons per year, 12% above the year-ago level. The pattern of strong demand was also evident in the trend of inventories, with inventories of both market pulp and own use pulp at producer's mills down sharply, while inventories of purchased pulp at paper and paperboard mills were 34% above year-ago levels as of the end of June 1984, bringing the total to about 1.4 months of supply from 1.0 months a year-ago.

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 9

SEPTEMBER, 1984

PAPER AND PAPERBOARD: DEMAND AND PRODUCTION

Although the trend position of paper and paperboard in August held close to the July trend level (the trend position is the average of the current and previous month's seasonally adjusted rates, there are indications that the demand for paper and for some grades of paperboard is easing from the torrid pace set in the earlier months of the year.

The August trend position was at the rate of 69.4 million tons per year, fractionally below July's record-high trend figure of 69.6 million tons per year. The paper trend in August eased to 34.7 million tons per year from the previous month's 34.9 million tons, while that of paperboard held flat at 34.7 million tons per year.

Normally, such changes would be ignored because they are so small. But some early turning indicators do flash a caution sign within the printing paper grade sector; new orders for uncoated free sheet papers have been below the shipments level since March, and the unfilled order backlog as of the end of August was 47% below its year-ago level. For the entire January-August period, new orders averaged 8.8 million tons per year; shipments 9.2 million tons per year. (See Table on Page 3)

During the past six months, a growing part of the demand for uncoated free sheet papers has been met from imports. In the first quarter of 1984, for example, imports of uncoated free sheet papers were at the annual rate of 550,000 tons per year, about 2.9 times its year-ago rate. Imports peaked in the March and April, and the second quarter rate moved down to 504,000 tons per year. The June-July average rate was 436,000 tons per year. Although trending down, the August level was still quite high by historic standards.

Continued on Page 2

The decline in orders has not extended to other grades of printing-writing papers. Orders and shipments of total coated papers continued strong through August and appear to have held up well in the early weeks of September. Although the rate of groundwood paper shipments in August was somewhat below its second quarter 1984 level, imports of these papers moved strongly upward. Imports in July 1984 (the latest available) were a record-high 109,000 tons (see table on page 9), marking the third consecutive month imports of these papers exceeded 100,000 tons. The seasonally adjusted trend of printing-writing paper production during July and August averaged 18.2 million tons per year; for the entire January-August, the shipments trend was at the annual rate of 18.5 million tons.

Analysis of available market data suggests that the underlying demand for printing-writing papers continues to be relatively strong. While the growth in total economic activity as measured by the real gross national product eased to 3.6% per year in the third quarter of 1984, (preliminary estimate made by the Department of Commerce), the GNP level reached was nonetheless a record high. Similarly, total industrial production also continues at record high rates, along with levels of total employment and real income of consumers. Further, shipments of paper to such important markets as magazine and book publishers, commercial printers, envelope converters and business forms converters all show double-digit gains over year-ago levels for the entire January-August period.

Data on shipments and production of paper in the early weeks of September appear to confirm the indication that some mild correction from the earlier highs is underway. Production of total paper showed a normal seasonal decline during the Labor Day holiday week, but the post Labor Day recovery fell short of the usual seasonal gains.

Production of most grades of paperboard has continued strong since the July holiday shutdowns. Production of containerboard for domestic use in August, for example, remained above the 1.8 million tons per month level, marking the fourth month this year that this record-breaking level was exceeded. The highest monthly total reached in 1983 was October's 1.76 million tons. This strength was consistent with the pattern of shipments of fibre boxes, which, as reported by the Fibre Box Association, also continues at record-high levels. There has been some increase in inventories at mills and boxplants--primarily at the boxplants--but as of the end of August 1984 the level was equivalent to 7.1 weeks of supply, about the same as it was for the two previous months and a shade below the rate at the beginning of the year.

PAPER AND PAPERBOARD STATISTICS
PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

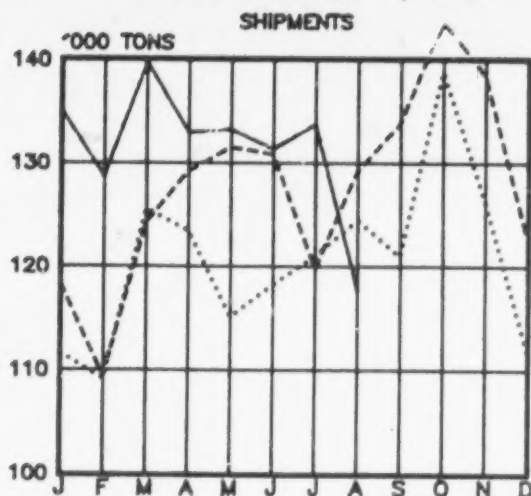
Page 3

	1982	1983	MAY 1984	JUNE 1984	JULY 1984	AUG. 1984	Annual Rate Y-T-D 1984	% Change from same Period Last Year
PAPER								
Newsprint - Production	5042	5187	481	468	451	470	5585	8.3
- Shipments	4988	5153	497	461	455	460	5651	10.7
Printing & Writing	15811	17387	1611	1547	1440	1513	18469	8.3
Groundwood Paper - Shipments	1471	1531	133	131	134	118	1578	8.0
- New Orders	1481	1581	117	125	135	135	1628	4.0
- Unfilled Orders	92	159	173	165	173	188	189	27.3
Coated Paper - Shipments	4874	5696	546	524	469	528	6183	12.1
- New Orders	4941	5896	489	542	496	529	6248	8.1
- Unfilled Orders	322	546	508	510	553	546	546	-6.0
Uncoated Free Sheet - Shipments	7855	8767	804	784	725	749	9227	8.4
- New Orders	7827	8977	773	696	692	692	8755	-4.2
- Unfilled Orders	321	686	502	427	405	354	354	-48.8
Thin Paper - Shipments	3295	328	29	31	25	28	345	2.8
Cotton Fiber Paper - Shipments	120	131	12	12	10	10	141	9.0
Bleached Bristols - Production	862	934	86	84	77	80	986	7.5
Tissue Paper - Production	4438	4790	412	402	405	432	4911	3.0
Total Packagings & Other Paper	5300	5633	495	472	484	481	5892	6.5
Unbl. Kraft Paper - Shipments	3688	3807	323	316	328	318	3918	4.4
Other Paper - Production	1612	1828	172	156	156	162	1874	11.1
TOTAL PAPER-Production-Unadj. *	30380	32877	2988	2888	2780	2896	34858	7.2
-Production-S.A. *			2894	2820	2882	2785	34469	8.8
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22589	24778	2324	2281	2184	2330	26845	9.2
Unbl. Kraft Linerboard (1)	13494	15001	1428	1388	1296	1427	16278	8.7
Production For Export	1931	2281	188	180	174	215	2151	-8.3
Other Unbl. Kraft Paperboard	1040	1121	113	107	107	102	1212	5.7
Semichemical Paperboard	4389	4730	436	443	438	449	5225	12.0
Production For Export	185	193	12	10	9	17	151	-28.8
Solid Bleached Paperboard	3665	3926	348	342	344	352	4130	4.8
Production For Export	525	514	37	41	36	37	477	-11.2
Recycled Paperboard	8478	7398	888	873	608	641	8031	10.0
Production For Export	13	24	1	1	1	2	15	-48.8
TOTAL PAPERBOARD-Prod.-Unadj. *	28085	32177	3012	2954	2792	2970	34875	8.4
- Containerboard Prod.(Dom. Use)	17508	19173	1830	1807	1708	1802	21153	12.1
- Boxboard Prod.(Dom. Use) (2)	5150	5551	500	481	478	511	5873	8.4
- All Other P'bd Prod.(D.U.) (2)	3753	4397	448	433	388	387	4856	14.0
- Total Paperbd Prod. For Export	2654	3012	238	233	220	271	2793	-10.7
TOTAL PAPERBOARD PROD.- S.A. *			2838	2854	2830	2859	34175	8.0
TOTAL PAPER AND PAPERBOARD Production - actual *	58466	65054	6011	5842	5572	5866	68733	8.3
Production - S.A. *			5733	5675	5922	5644	68844	7.8

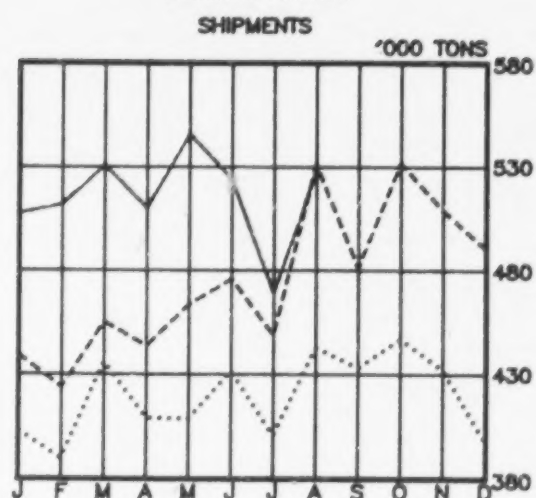
(1) Includes all exports of Kraft paperboard.
(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

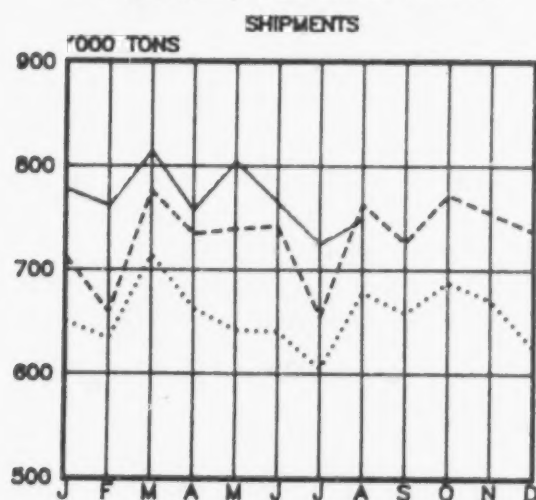
GROUNDWOOD PAPER, UNCOATED



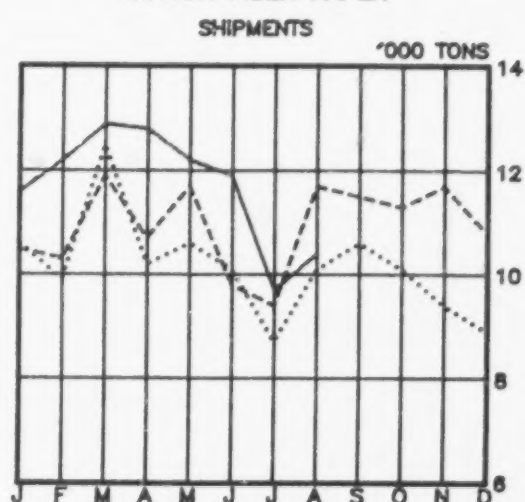
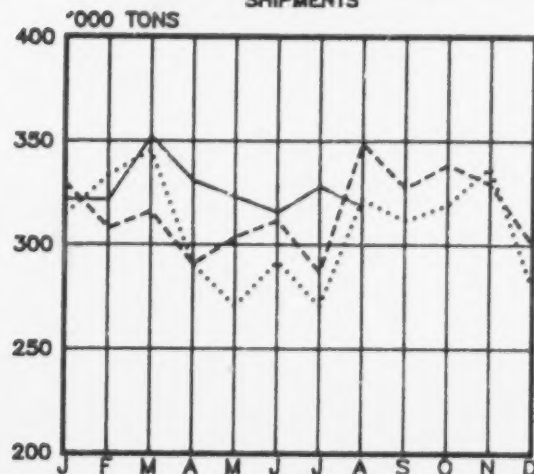
COATED PAPER



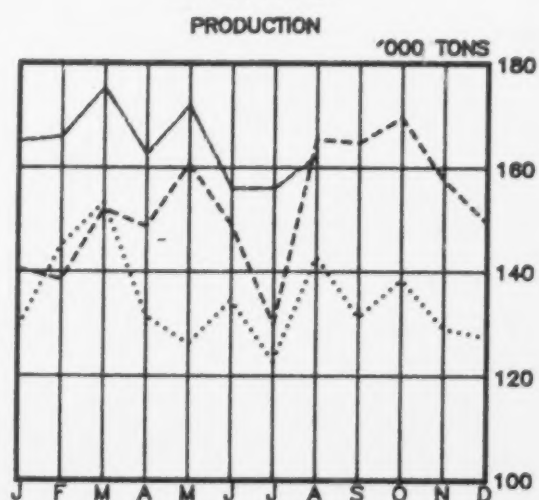
UNCOATED FREE SHEET PAPERS



COTTON FIBER PAPER

UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER

OTHER PAPER



1982 1983 ----- 1984 ———

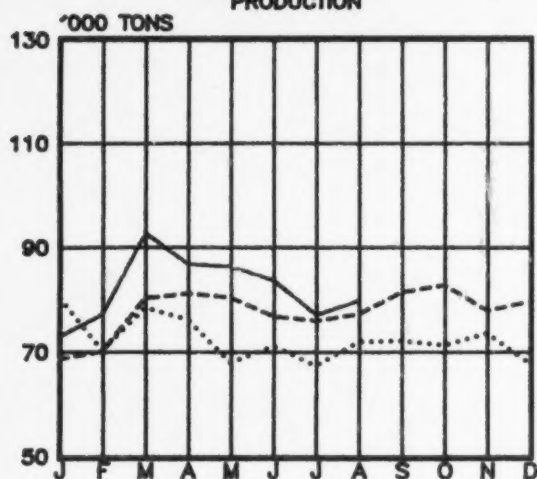
SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS
(Thousands of tons)

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

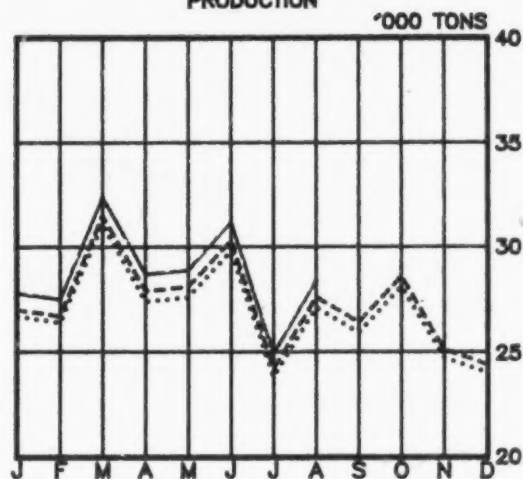
BLEACHED BRISTOLS

PRODUCTION



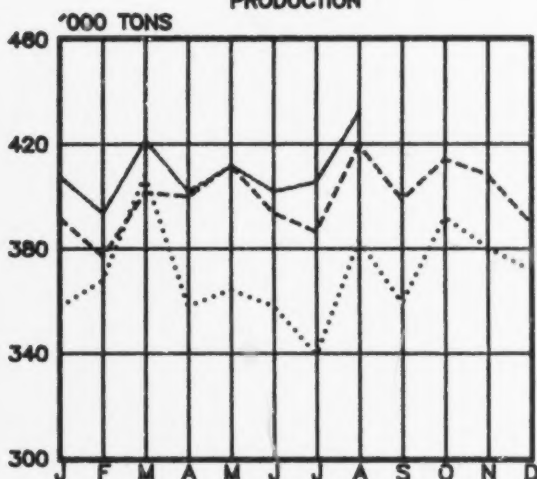
THIN PAPER

PRODUCTION



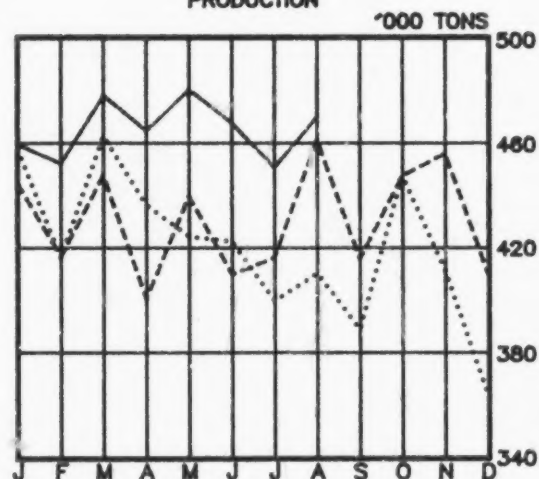
TISSUE PAPER

PRODUCTION



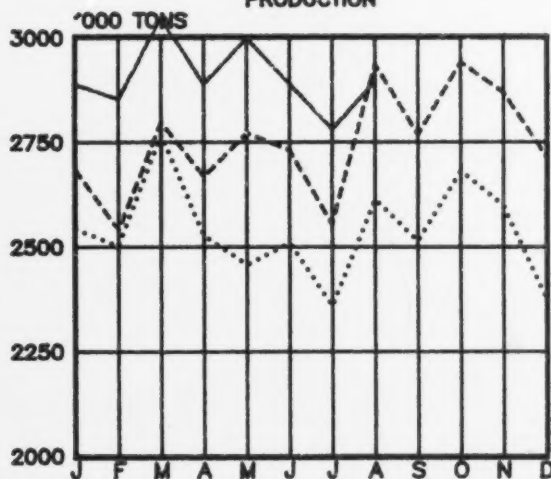
NEWSPRINT

PRODUCTION



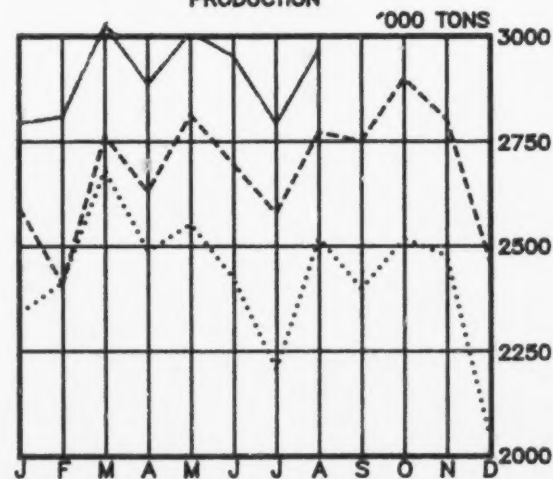
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1982 1983 ----- 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

Page 7

		YEAR		APRIL	MAY	JUNE	JULY	Annual Rate Y-T-D	% Change From same Period Last Year
		1982	1983	1984	1984	1984	1984	1984	
PULPMOOD									
Total U.S.	- Total Receipts	78519	84475	7100	7425	7423	7197	87843	8.3
	- Total Consumpt.	79039	85442	7344	7439	7264	7192	88078	4.2
	- Residues *	31152	32755	2755	2817	2552	2547	32595	1.1
	- Inventories	5426	5229	4777	4782	4682	4621	4621	-8.7
So. Atlantic	- Total Receipts	23769	25738	1870	2285	2402	2301	26570	5.0
	- Total Consumpt.	23725	25847	2020	2212	2290	2301	26548	3.7
	- Residues *	8273	7804	824	715	721	660	8133	5.7
	- Inventories	1185	1163	900	1033	1080	1039	1039	-4.7
Northeast	- Total Receipts	7283	7051	535	568	608	577	7323	8.3
	- Total Consumpt.	7221	7274	693	586	648	542	7849	6.7
	- Residues *	1432	1199	127	125	113	115	1384	23.0
	- Inventories	652	577	459	410	375	422	422	-4.7
South Central	- Total Receipts	26510	29409	2634	2638	2705	2555	30765	7.8
	- Total Consumpt.	27153	29152	2539	2591	2575	2618	30581	8.0
	- Residues *	8616	9218	761	748	769	757	9012	-1.4
	- Inventories	1346	1536	1375	1381	1426	1191	1191	-5.4
North Central	- Total Receipts	5601	6265	439	554	582	578	7017	12.7
	- Total Consumpt.	5706	6343	552	580	580	523	6775	6.6
	- Residues *	1517	1822	111	146	136	121	1528	-15.2
	- Inventories	925	851	890	836	821	817	817	1.3
West	- Total Receipts	15356	16014	1521	1382	1128	1188	16167	2.1
	- Total Consumpt.	15234	16826	1540	1460	1191	1208	16545	-0.0
	- Residues *	11284	12612	1132	1083	913	894	12528	0.4
	- Inventories	1338	1102	1153	1122	980	1152	1152	-15.0

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpmood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

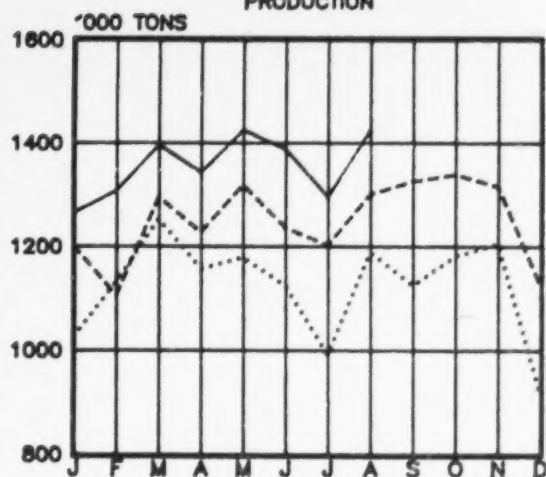
	YEAR 1983		JUNE 1984		JULY 1984		Annual	% Change
	Tons	\$000	Tons	\$000	Tons	\$000	Rate Y-T-D 1984	From same Period Last Year
Pulpmood, Roundwood (in cords of 128 cubic feet)	155124	7471	11893	605	31923	1851	182048	97.7
Pulpmood Chips	1987168	48979	135223	2992	151199	3336	2405565	23.0
Wood Pulp, Total	3755201	1363875	347754	148587	322781	141017	3895789	13.4
Waste Fibrous Materials, Total	157732	26491	13482	2421	12364	2275	158212	2.8
Paper, Board & Products, Total	8274814	3372726	848271	359401	852052	365480	9222337	14.8
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	844218	350006	845749	355105	9155878	14.5
Paper Paperboard & Products	7846518	3277874	812131	351025	804934	355398	8791875	15.8
Paper & Paperboard, Only	7782924	3179310	807078	341831	798631	345021	8725218	15.5
Paper, Total	7833585	3138193	793533	337613	782829	340410	8489006	14.8
Newsprint	8845135	2732234	718102	295487	685082	292489	7585352	13.8
Printing, Writing & Rel. Pap.	685907	348512	66850	35185	79825	42214	782484	21.8
Pack. & Ind. Conv. Paper	79208	46889	8968	5517	6113	3884	101861	38.0
Special Industrial Paper	2732	4473	275	482	453	797	3488	28.2
Tissue Paper	10602	7085	1337	853	1545	1028	18021	62.3
Paperboard, Total	159339	40117	13543	4017	15802	4611	226212	51.5
Convul. Paper & Paperbd Products	53592	88684	5055	9395	6303	10375	56457	34.7
Wet Machine Board	3036	1918	168	106	100	69	2373	-26.2
Construction Paper & Board	425362	92836	36972	8270	47017	10015	428288	-2.8

EXPORTS TO CANADA

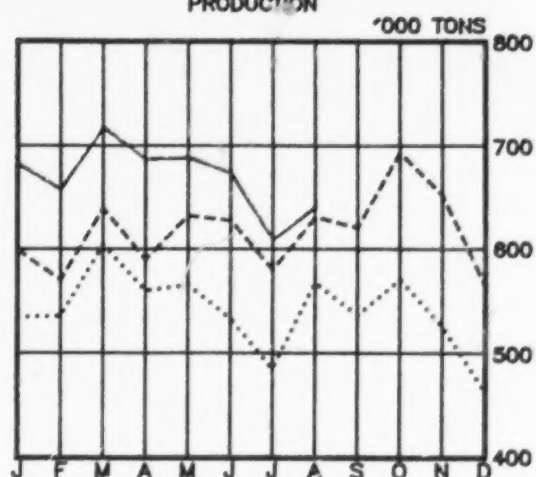
Pulpmood, Roundwood (in cords of 128 cubic feet)	68965	4381	13135	980	8374	571	76868	37.8
Pulpmood Chips	38248	2026	1743	80	148	7	31128	-23.8
Wood Pulp, Total	133633	55369	9675	4600	14381	8775	168315	22.5
Cotton Pulp & Other Pulp	8567	5267	793	536	593	371	10689	12.8
Waste Paper	348808	39478	28094	3380	29815	3421	336007	2.1
Paper, Board & Products, Total	658229	471256	59002	42659	61252	42106	788594	22.4
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	43097	28911	46637	29461	577554	28.4
Paper, Paperboard & Products	828109	459325	56403	41556	58978	41033	757348	23.9
Paper & Paperboard, Only	416888	294756	40498	27808	44363	28388	546308	31.1
Paper, Total	230771	210626	20425	18858	28445	20848	318760	38.0
Newsprint	4312	3805	319	271	308	267	5350	33.1
Printing, Writing & Rel. Pap.	125110	101541	8906	9277	11578	10391	140754	15.4
Pack. & Ind. Conv. Paper	34403	20921	2288	1485	4070	2498	46802	50.0
Special Industrial Paper	83390	81388	7759	7582	12178	7461	123899	75.4
Tissue	3556	2868	152	235	310	231	2856	-24.5
Paperboard, Total	198228	84131	20073	8949	15818	7541	226548	22.3
Convul. Paper & Paperbd Products	211112	184588	15806	13748	14615	12645	211040	8.5
Wet Machine Board	5288	2876	436	308	351	338	5358	-13.0
Construction Paper & Bd. E	25831	8955	2163	797	1823	735	25890	-3.8

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

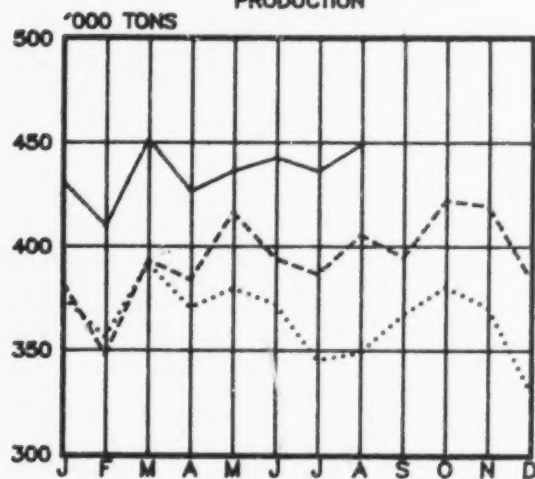
UNBLEACHED KRAFT LINERBOARD PRODUCTION



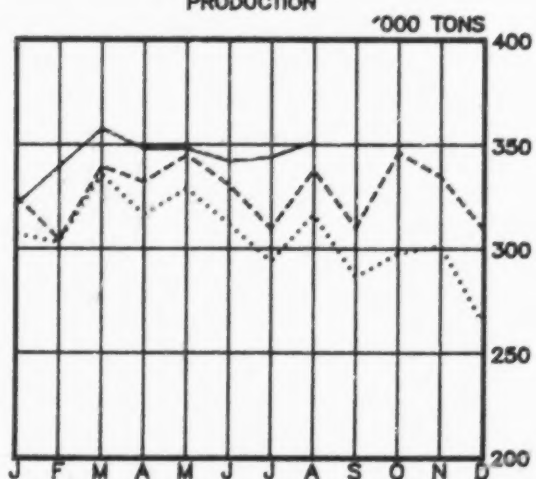
RECYCLED PAPERBOARD PRODUCTION



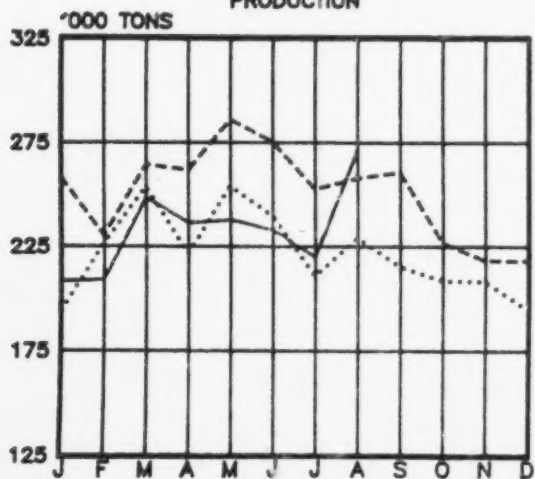
SEMICHEMICAL PAPERBOARD PRODUCTION



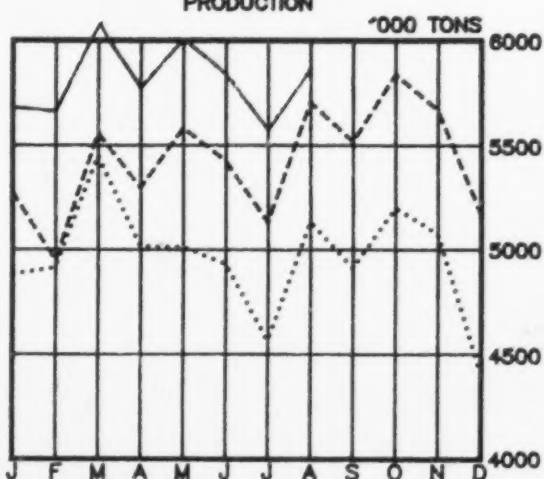
SOLID BLEACHED PAPERBOARD PRODUCTION



PAPERBOARD FOR EXPORT PRODUCTION



TOTAL PAPER AND PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 8

I M P O R T S

	YEAR 1983		JUNE 1984		JULY 1984		(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	155124	7471	11993	605	31923	1851	192132	87.8
Pulwood Chips	1891453	49104	135224	2992	151218	3339	2405882	22.8
Total All Imports	13248280	5526141	1382987	626679	1409498	659096	15514461	22.6
Wood Pulp, Total	4093436	1472478	360489	153248	356727	154668	4355122	11.7
Waste Paper	100410	10537	12780	1638	7840	866	112233	16.7
Other Fibrous Materials	68003	24272	6118	2278	5700	2003	70374	3.3
Paper, Board & Products Total	8886431	4018855	1003588	469515	1039132	501562	10876732	27.7
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	8834560	3582292	987534	427042	1018840	449340	10767360	27.3
Paper, Pbd & Prds ex Cnst&WMB	8509180	3811581	963486	460381	987216	480005	10501085	29.5
Paper & Paperboard Only	8357308	3475028	847431	417918	866925	437782	10281653	28.1
Paper, Total	8189491	3428868	831230	412808	841568	430253	10032066	28.4
Newsprint	6918348	2757524	740473	303870	721737	302386	7824624	18.1
Printing & Writing	1151011	587426	176711	88654	207510	118165	2032575	111.5
Uncoated Groundwood	732237	331017	102889	50798	108882	53035	1080228	68.8
Uncoated Book	154147	89632	17117	11124	15194	9877	257660	88.4
Coated Print. & Impress. Pap	162441	101289	33474	22508	55302	37905	377885	217.3
Bristols	471	557	71	87	40	46	623	86.8
Writing and Similar Paper	81458	46718	16389	8822	23900	13778	261164	373.4
Thin (except Cigarette)	20258	19213	6772	4516	4181	3525	55015	293.4
Total Pks & Other Paper	107515	75694	12314	8906	10109	8169	154778	57.2
Unbleached Kraft Paper	42013	17454	3358	1663	2782	1169	47101	31.0
Other Pks. & Indust. Paper	65503	58240	8956	7243	7327	6998	107677	72.3
Tissue	11817	8225	1752	1279	2213	1523	20089	88.9
Paperboard, Total	167816	48160	16181	5108	25357	7528	259627	82.8
Test or Containerboard	48119	13042	4419	1493	6738	1546	74465	51.8
Semi-Chemical Corrugating	68564	14509	5768	1517	8047	2047	108185	77.7
Other Paperboard	50136	18608	5894	2099	10572	3836	76987	53.8
Convd Paper&Paperbd Products	151872	436563	18055	42473	20291	52222	209372	53.8
Paper Products, Total	124816	373966	13561	36835	16757	45253	178154	63.3
Paperboard Products, Total	27055	62587	2494	5638	3534	6968	31218	16.0
Wet machine Board	3584	2422	242	167	235	221	3243	-10.8
Construction Paper & Board	473867	104842	39860	8957	51680	11336	472424	-2.4
Notes								
Other: No Weight Avail. (\$000)		148251		16047		20518	183610	48.8
Total Imports Incl. Other(\$000)		5674392		64726		679615	7183527	22.8

E X P O R T S

	YEAR 1983		JUNE 1984		JULY 1984		(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	89497	4405	13135	980	8374	571	77223	36.8
Pulwood Chips	2554176	171269	231533	15329	196135	13569	2344186	-13.1
Total All Exports	10888848	4221511	1015182	416946	981417	370116	11500268	8.9
Wood Pulp, Total	3643983	1362022	306589	133108	278776	118788	3636801	2.2
Cotton Pulp and Other Pulp	102863	68805	7858	6758	5683	5231	87869	-11.2
Waste and Old Paper	2573716	308915	276064	36246	300665	3377	3218448	38.1
Paper, Board & Products, Total	4568407	2480788	424681	240835	376293	211327	4557150	-1.2
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3884277	1717768	373172	167528	331168	153067	3958375	-2.2
Paper, Pbd & Prod ex Cnst&WMB	4501038	2448779	418748	237584	371348	207703	4476813	-1.4
Paper & Paperboard, Only	3918910	1685778	367239	164277	326223	149443	3878038	-2.5
Paper, Total	773414	599370	57888	48553	73047	53726	837154	4.5
Newsprint	284870	127118	21177	9210	25068	8740	310725	4.1
Printing & Writing	201798	198304	14219	15947	16738	17964	208271	4.1
Uncoated Groundwood	37289	33300	2140	1837	2142	2183	29405	-22.8
Clay Coated Paper	79182	60033	6077	5302	7321	5827	91609	23.0
Uncoated Free Sheet	59125	71662	4860	6640	4432	6045	64900	6.8
Other Printing & Writing	26202	33310	1142	2068	2843	3905	22357	-16.5
Total Pks. & Other Paper	260865	255086	20762	21461	28457	24105	289602	4.7
Unbleached Kraft	118170	43227	7566	3026	8370	3956	108089	-12.0
Other Pks. & Indust. Paper	144685	211859	13196	18435	20087	20148	181513	17.2
Tissue	15881	18861	1730	1936	1784	1917	18555	11.7
Paperboard, Total	3143498	1086408	308352	115724	253176	85716	3040885	-4.3
Solid Wood Pulp	2993868	1016184	296799	108665	242772	90428	2891586	-4.3
Total Linerboard	2254538	575862	225703	68925	179358	55932	2117507	-6.1
Bleached Kraft Linerboard	160253	64914	8083	3833	14340	5852	132336	8.9
Unbleached Kraft Linerboard	2094285	510948	216611	65082	165019	50080	1985170	-7.0
Other Unbleached Kraft	107141	51822	9559	4693	13030	4891	131381	20.8
Other Bleached Kraft	558431	371357	58651	35450	48127	28797	602294	5.8
Semi-Chemical Corrugating	73758	17144	1885	597	2257	709	40384	-54.2
Recycled Paperboard	149628	70224	12553	6059	10404	5288	148319	-3.8
Convd Paper&Paperbd Products	584128	763001	51509	73307	45125	58260	598775	6.1
Paper Products, Total	311722	535598	27879	51572	21210	38233	312299	1.8
Paperboard Products, Total	272408	227406	23630	21735	23915	20027	286476	11.2
Wet Machine Board	11822	3420	578	388	1432	725	14188	8.2
Construction Paper & Board E	55746	26370	5354	2853	3514	2999	66141	18.8
Notes								
Other: No Weight Avail. (\$000)		7965		781		1597	8335	34.3
Total Exports Incl. Other(\$000)		4229475		417707		371713	4573397	8.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1987 = 100

Annual
Rate
Y-T-D
1984
% Change
from same
Period
Last Year

	1982	1983	MAY	JUNE	JULY	AUG.		
Pulp, Paper and Products except Building Grades	273.2	271.4	292.7	293.3	295.6	296.3	290.2	7.8
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper #	275.9	273.3	297.7	293.9	296.3	297.0	291.1	7.2
Total Wood Pulp	379.1	347.1	405.1	407.6	410.6	410.0	392.4	13.8
Total Paper	286.3	282.3	301.3	301.4	307.9	306.9	301.0	7.8
Total Paper, exc. Newsprint	278.3	277.0	300.7	300.9	304.5	304.5	300.2	9.8
Newsprint	315.8	303.0	314.8	314.8	334.7	330.7	318.3	8.3
Total Paperboard	254.9	250.8	276.9	279.1	279.1	285.4	275.1	11.2
Total Paper and Paperboard #	276.5	272.4	293.6	294.4	298.9	300.2	292.9	8.8
Converted Products	264.4	265.4	280.6	280.8	281.9	282.4	277.8	5.0
Waste Paper	121.1	158.6	259.3	257.3	254.7	254.5	246.0	84.7
All Commodities	299.3	303.1	311.7	311.4	312.0	310.8	310.7	3.0
Industrial Commodities	312.3	315.7	323.3	323.9	324.0	323.5	322.3	2.5

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

Production of unbleached kraft linerboard--the largest component of containerboard--is also at record high levels. The August 1984 total of 1,427,000 tons represents the highest monthly total ever reached. This record-high rate reflected not only strong domestic demand, but also a resurgence in export demand. Production of kraft linerboard for export in August moved above the 200,000 tons per month level for the first time this year. The rate of production of kraft linerboard for export in the first eight months of 1984 was a respectable 2.1 million tons per year. While this was 8% below the comparable 1983 total, the rate for the June-August 1984 period almost matched the total 1983 rate.

The production of boxboard for domestic use shows a similar pattern. The August 1984 level of 511,000 tons was second to March's all-time high of 531,000 tons; August was the fourth month in 1984 when boxboard production for domestic use exceeded 500,000 tons per month, a level never reached in any earlier year.

Continued on Page 11

The strength in domestic demand for boxboard is concentrated mainly in the markets for folding and set-up boxes, reflecting the strong demand for total packaging materials. Production of solid bleached folding boxboard for domestic use in the first eight months of 1984 was 10.3% above its year earlier level, while recycled folding boxboard showed an 8.9% gain. Folding boxboard exports, however, were down 18.8%. Virtually all the folding boxboard exported is made from bleached paperboard; total production of bleached paperboard for export in the January-August 1984 period, was 11% below its year-ago level. Exports of milk-carton and other food service products --another important sector of bleached paperboard--declined 8.4%.

Total production of the other boxboard grades for the entire January-August 1984 period was an exceptionally strong 13.8% ahead of its year-ago rate. However, one of the earlier major gainers - gypsum wallboard facings - showed a 31% decline from its August 1983 level in August 1984. This product is used mainly in residential housing, and the recent decline in housing starts was the trigger for this decline. Tube, can and drum stock, which is also included with these other paperboards, continued its strong performance in line with the strength in demand for packaging materials.

FIBROUS RAW MATERIALS

The strength in demand for recycled paperboard evident so far this year has resulted in an increase in the relative use of waste paper in the paper and paperboard furnish. As the data in the table on page 5 show, total consumption of waste paper at paper and paperboard mills in the first 7 months of 1984 was at the average rate of 15.8 million tons per year, 10.4% above its year-earlier level. Use of wood pulp, at 54.4 million tons per year, rose 8.8%.

MARKET WOOD PULP

Shipments of chemical paper grade market wood pulp were below the level of production in July and August, resulting in an increase of about 100,000 tons in inventories held at producing mills. However, the level of inventories as of the end of August was still some 13% below its year-ago level.

The rate of chemical paper grade market pulp shipments in August dipped below its year-ago level, but shipments for the entire January-August period were still 6% above their comparable 1983 level. Shipments to the domestic market were up 12%, reflecting the strong demand for printing and writing papers. Export shipments were up 1%, reflecting a 23% increase in shipments to Japan (accounting for 20.3% of the export total) a 5% decline in shipments to Western Europe (accounting for 50% of the total) and a 1% decline in shipments to the remaining countries.

CAPITAL EXPENDITURES AND APPROPRIATIONS

The latest data from the Department of Commerce, published in mid-September, show that expenditures on new plant and equipment by paper and allied products corporations will be a record-high \$7.13 billion in 1984, 15.3% above the 1983 total. Data from The Conference Board confirm that strength. The Conference Board reported that newly approved capital appropriations by those paper and allied included in the thousand largest corporations in the United States amounted to \$1.9 billion in the second quarter of 1984. In the previous two quarters, the Board reported appropriations of \$1,136 million for the fourth quarter of 1983 and \$999 million for the first quarter of 1984. Capital expenditures by these companies averaged \$846 million per quarter in these three quarters, so that the backlog of unspent appropriations rose from \$4.3 billion as of the end of the third quarter of 1983 to \$5 billion as of mid-1984.

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 10

OCTOBER, 1984

Paper and Paperboard Production Holding Strong

Paper and paperboard production in September, and indeed in the entire third quarter, showed a less-than-normal seasonal decline. The third quarter rate, adjusted for seasonal and workday factors was close to the annual rate of 69.6 million tons. The corresponding rate for the first half of 1984 was 68.6 million tons per year. If paper and paperboard production continues near the third quarter rate during the remainder of the year, the 1984 total would exceed 69 million tons, to establish a new high.

Both paper and paperboard production followed a similar pattern, each showing less-than-seasonal declines in the third quarter of 1984 and each establishing record-high seasonally adjusted rates.

Nearly all the major paper grades showed relatively strong production trends in September and none showed significant weakness. However, the new orders trend for the uncoated free sheet papers averaged 4.6% less than the shipments total, resulting in a further decline in the unfilled order backlog. As of the end of September, unfilled orders were equivalent to 0.53 months of shipments; in January the backlog was equivalent to 0.79 months of shipments. Total new orders for uncoated free sheet papers in the entire January-September 1984 period were 4.6% below the shipments total, indicating a level of demand that is slightly below that of shipments. Imports of these grades in July and August held close to the 500,000 tons per year level, which was equivalent to about 5% of the domestic production total.

Continued on Page 2

New orders for both uncoated groundwood papers and coated papers were above shipments in the third quarter of 1984. For each of these grades, the rate of orders for the entire first nine months of 1984 was also above that of shipments. (See table on page 3) Imports of uncoated groundwood papers dropped a bit in August, but the eight-month rate was still above one million tons per year, equivalent to two-thirds of the domestic production rate. Coated paper imports also fell a bit in September; its year-to-date rate was equivalent to 6.4% of the domestic production rate.

The trend of packaging and industrial paper production held close to its first-half level in the third quarter of 1984. At 5.85 million tons per year, the year-to-date rate was 5% above its year-earlier rate and close to the record-high of 5.9 million tons established in 1979.

The containerboard grades of paperboard continued to operate at close to capacity levels during the third quarter of 1984. Total containerboard production for domestic use in the January-September period was at a rate in excess of 21 million tons per year, a record high and 11.5% above the 1983 rate. Unbleached kraft linerboard for domestic use was up 12%; semichemical corrugating material for domestic use was also up 12%, while the recycled grades of containerboard, in total, showed virtually no change from a year ago. The bleached paperboard grades were affected by a 9% decline in production for export; total production of these grades was only 5% over its year-earlier level in the January-September 1984 period. The important milk carton grade rose by 5.8% from its 1983 rate; cup stock, by 3.8%.

Production for domestic use of the other paperboard grades, which include tube, can and drum stock along with such non-packaging grades as gypsum wallboard facing and panelboard, held up well in September. The year-to-date total showed a 12% gain over its 1983 rate.

While production of paperboard for export in September declined to 232,000 tons from the relatively high August level, it did hold at the level of the two preceding months. The year-to-date total was down 11% from its 1983 rate, but remained above the rate of the preceding year and, indeed, above the rate of any earlier year except for 1980.

PAPER AND PAPERBOARD STATISTICS

Page 3

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

	1982	1983	JUNE 1984	JULY 1984	AUG. 1984	SEPT 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
PAPER								
Newsprint - Production	5042	5187	488	451	470	447	5581	8.2
- Shipments	4988	5153	461	455	459	451	5624	10.4
Printing & Writing	1561	17387	1547	1454	1562	1511	18516	8.2
Groundwood Paper - Shipments	1471	1531	131	138	129	133	1601	8.7
- New Orders	1481	1581	125	139	150	133	1651	5.0
- Unfilled Orders	82	158	165	150	166	167	167	6.2
Coated Paper - Shipments	4874	5886	524	478	538	513	6213	11.8
- New Orders	4941	5886	542	502	545	496	6245	7.1
- Unfilled Orders	322	546	510	495	488	472	472	-13.6
Uncoated Free Sheet - Shipments	7855	8767	764	725	773	741	8222	6.3
- New Orders	7827	9077	696	694	728	727	8800	-3.2
- Unfilled Orders	321	688	427	449	400	389	389	-42.0
Thin Paper - Shipments	329	328	31	25	28	27	343	2.8
Cotton Fiber Paper - Shipments	120	131	12	10	13	11	142	8.2
Bleached Bristols - Production	862	834	84	77	82	86	984	7.6
Tissue Paper - Production	4438	4780	402	405	411	388	4853	1.7
Total Packagings & Other Paper	5300	5633	472	484	481	462	5853	5.0
Unbl. Kraft Paper - Shipments	3688	3807	316	328	318	313	3900	3.3
Other Paper - Production	1812	1828	156	156	162	149	1953	8.5
TOTAL PAPER-Production-Unadj. *	30380	32877	2888	2794	2924	2806	34782	6.7
-Production-S.A. *			2820	3007	2811	2826	34598	6.3
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22588	24778	2281	2184	2323	2233	26831	8.7
Unbl. Kraft Linerboard (1)	13484	15001	1388	1296	1421	1378	16288	9.0
Production For Export	1931	2281	180	174	214	177	2146	-8.1
Other Unbl. Kraft Paperboard	1040	1121	107	107	101	92	1197	4.1
Semichemical Paperboard	4388	4730	443	436	451	436	5227	11.8
Production For Export	185	193	10	9	17	14	154	-27.8
Solid Bleached Paperboard	3663	3826	342	344	351	328	4107	4.8
Production For Export	525	514	41	36	37	39	478	-9.4
Recycled Paperboard	6476	7398	673	609	645	621	7971	8.8
Production For Export	13	24	1	1	2	2	16	-40.2
TOTAL PAPERBOARD-Prod.-Unadj. *	28065	32177	2854	2792	2968	2854	34802	8.7
- Containerboard Prod.(Dom. Use)	17508	18173	1807	1706	1797	1783	21148	11.5
- Boxboard Prod.(Dom. Use) (2)	5150	5551	481	478	510	485	5855	8.2
- All Other P'bd Prod.(D.U.) (2)	3753	4397	433	388	390	374	4908	12.2
- Total Paperbd Prod. For Export	2654	3012	233	220	270	232	2781	-10.7
TOTAL PAPERBOARD PROD.- S.A. *			2854	2830	2856	3001	34376	8.4
TOTAL PAPER AND PAPERBOARD Production - actual *	58458	65154	5842	5586	5891	5680	69584	7.7
Production - S.A. *			5675	5937	5688	5927	68972	7.3

(1)Includes all exports of kraft paperboard.

(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.

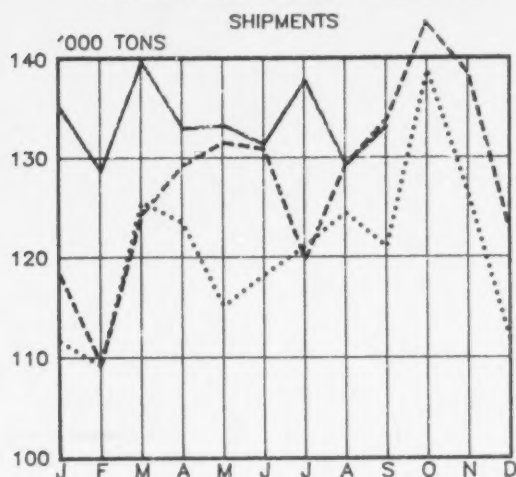
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary

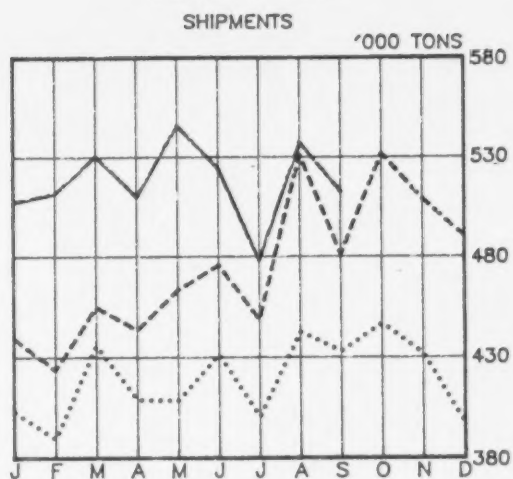
R Revised

S.A. Seasonally Adjusted

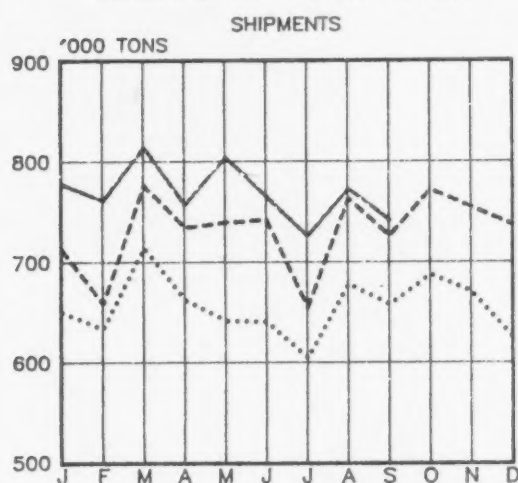
GROUNDWOOD PAPER, UNCOATED



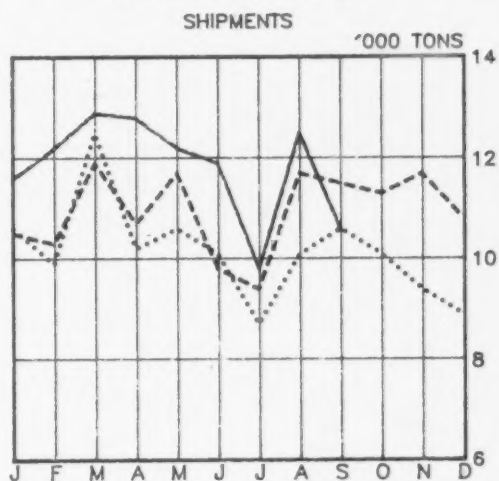
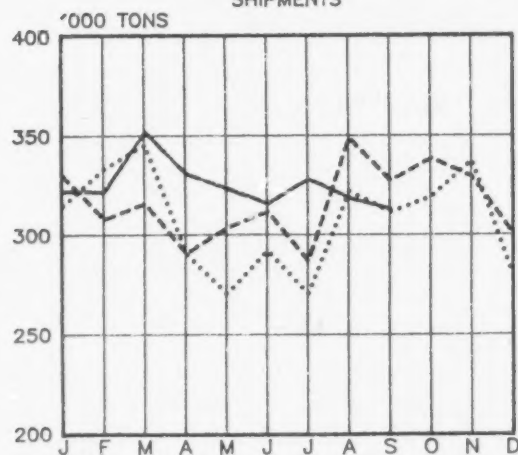
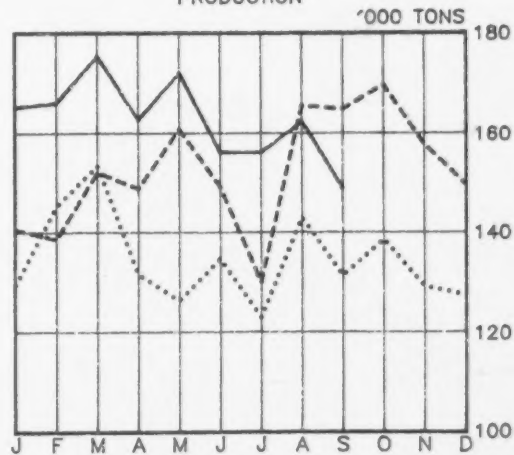
COATED PAPER



UNCOATED FREE SHEET PAPERS



COTTON FIBER PAPER

UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPEROTHER PAPER
PRODUCTION

1982 1983 ----- 1984 ———

WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		MAY	JUNE	JULY	AUG.	Annual	% Change
	82	83	84	84	84	84	Rate	From same
							Y-T-D	Period
							84	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52537	4762	4696	4530	4790	56068	7.7
- Imports	3656	4093	387	360	357	389	4394	11.6
- Exports	3385	3644	336	307	279	318	3660	3.2
- New Supply	49595	52998	4813	4749	4608	4860	56800	9.3
Dissolving Pulp - Production	1082	1261	109	100	99	109	1265	0.9
- Imports	188	192	17	7	15	9	153	-25.8
- Exports	631	647	47	57	41	43	608	-0.3
- New Supply	647	806	80	50	73	74	810	-4.8
Paper Grades - Production	39478	42358	3826	3787	3645	3890	45098	7.4
Chemical Pulp - Imports	3302	3706	348	331	321	355	3874	11.6
- Exports	2736	2958	283	243	229	272	2985	3.5
- New Supply	40044	43106	3892	3856	3736	3972	46077	9.0
Groundwood and Thermo-Mech. - Production	5064	5087	476	482	471	481	5615	12.3
- Imports	167	185	21	22	21	26	287	57.0
- Exports	27	40	7	6	9	3	57	25.2
- New Supply	5204	5222	489	498	483	483	5825	13.6
Semi-Chemical - Production	3699	3851	351	346	316	330	4088	6.9
- Imports	0	0						
- Exports	0	0						
- New Supply	3699	3851	351	346	316	330	4088	6.9
			----- Included with Groundwood Pulp -----					
			351	346	316	330	4088	6.9
MARKET WOOD PULP								
Total Market Wood Pulp - Production	5732	6478	561	554	572	593	6810	5.5
- Imports	2443	2845	274	255	281	273	3209	13.8
- Exports	3143	3421	285	313	253	290	3510	1.8
- New Supply	5031	6002	540	486	589	575	6508	11.7
Dissolving Pulp - Production	1089	1260	110	100	99	108	1263	0.8
- Imports	194	210	24	11	20	9	196	-5.8
- Exports	675	696	63	61	45	50	693	0.0
- New Supply	608	772	71	50	74	67	766	-0.4
Paper Grades - Production	4643	5206	450	452	472	483	5534	6.6
Chemical Pulp - Imports	2202	2698	242	238	254	280	2945	14.2
- Exports	2468	2723	232	252	208	240	2817	2.3
- New Supply	4377	5181	460	438	518	503	5661	12.8
Groundwood Pulp and All Other - Production	1	12	1	2	1	1	13	17.1
- Imports	46	38	8	6	7	4	80	178.7
- Exports	1	0	0	0	0	0	0	100.0
- New Supply	47	49	9	8	7	5	93	131.7

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS

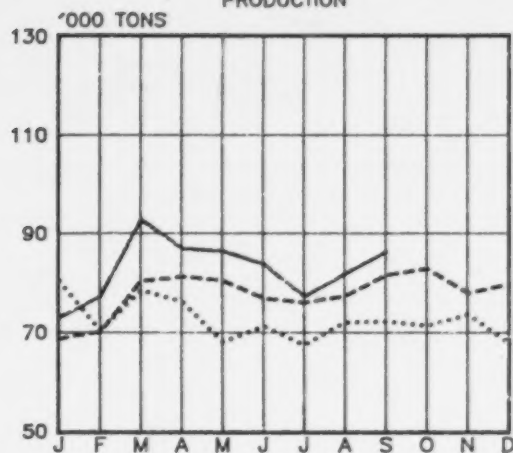
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	61332	65517	6100	5856	5656	6040	70492	9.1
Total Wood Pulp	47767	50978	4703	4562	4437	4690	54640	8.7
Waste Paper	13565	14539	1397	1294	1219	1350	15852	10.5
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	146	159	153	155	155	-24.8
Market Pulp at Pulp Mills	437	384	329	319	379	408	408	-14.7
Mkt Pulp at Ppr. & Bd. Mills & Waste Paper at Paper & Bd. Mills	429	504	594	596	542	506	506	18.5
	1022	920	858	870	834	955	955	10.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	21	25	30	29	29	-14.7

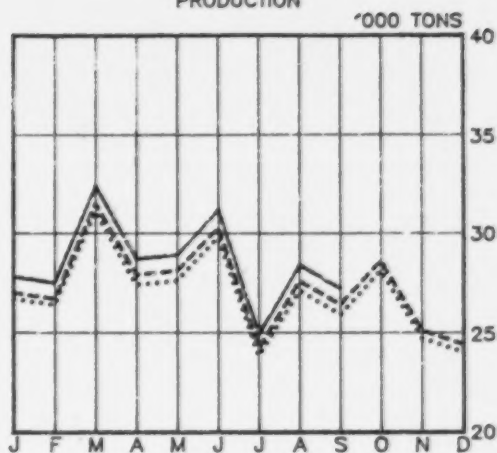
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

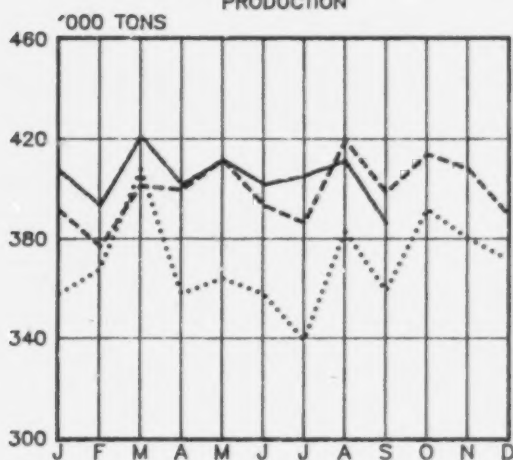
BLEACHED BRISTOLS
PRODUCTION



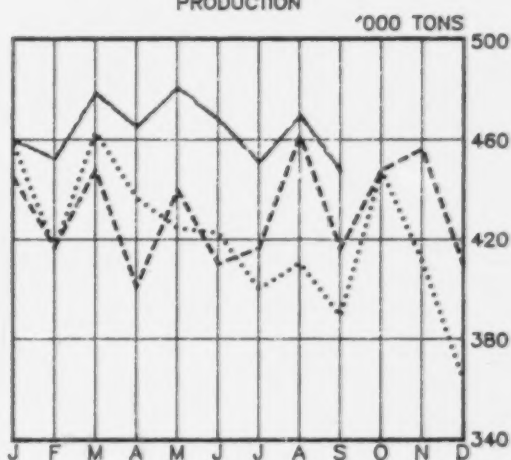
THIN PAPER
PRODUCTION



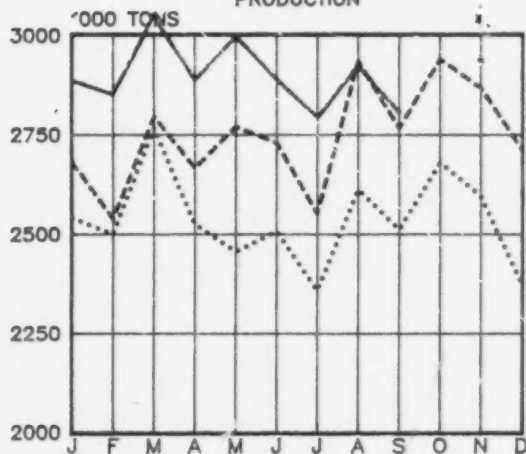
TISSUE PAPER
PRODUCTION



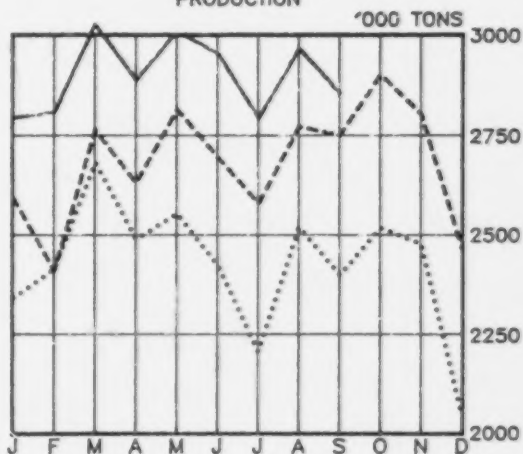
NEWSPRINT
PRODUCTION



TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



1982 1983 ----- 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

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		YEAR		MAY	JUNE	JULY	AUG.	Annual	% Change
		82	83	84	84	84	84	Rate	From same
								Y-T-D	Period
								84	Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78518	84475	7425	7423	7187	7642	88326	5.8
	- Total Consumpt.	79038	85442	7439	7264	7192	7388	89121	3.6
	- Residues *	31152	32755	2817	2652	2547	2690	32556	0.3
	- Inventories	5426	5228	4782	4682	4621	4825	4825	-6.8
So. Atlantic	- Total Receipts	23768	25736	2285	2402	2301	2336	26753	5.0
	- Total Consumpt.	23725	25847	2212	2290	2301	2318	26708	3.8
	- Residues *	8273	7904	715	721	660	684	8142	4.9
	- Inventories	1185	1163	1033	1080	1038	1043	1045	-8.6
Northeast	- Total Receipts	7283	7051	568	606	577	615	7331	7.4
	- Total Consumpt.	7221	7274	586	648	542	574	7554	4.7
	- Residues *	1452	1189	125	113	115	146	1439	26.7
	- Inventories	652	577	410	375	422	481	481	2.6
South Central	- Total Receipts	26510	29408	2638	2705	2555	2788	31103	7.5
	- Total Consumpt.	27153	29152	2591	2575	2618	2708	30803	6.2
	- Residues *	8616	9218	748	768	757	822	9118	-0.8
	- Inventories	1346	1536	1381	1426	1181	1215	1215	-7.1
North Central	- Total Receipts	5601	6285	554	582	576	632	7088	13.7
	- Total Consumpt.	5708	6343	590	560	523	558	6765	6.8
	- Residues *	1517	1822	146	136	121	138	1545	-14.1
	- Inventories	825	851	836	821	817	655	855	2.6
West	- Total Receipts	15356	16014	1382	1128	1188	1270	16052	0.3
	- Total Consumpt.	15234	16826	1460	1191	1208	1208	16290	-2.8
	- Residues *	11294	12612	1083	913	894	900	12312	-1.5
	- Inventories	1338	1102	1127	980	1152	1229	1229	-13.7

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

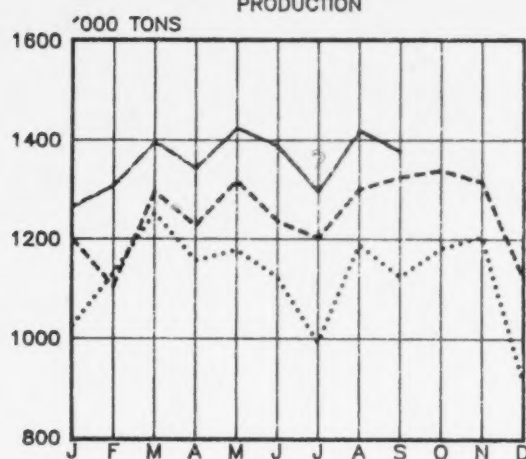
IMPORTS FROM CANADA								Annual	% Change
	YEAR	83	JULY	84	AUG.	84	Rate	From same	
	Tons	\$000	Tons	\$000	Tons	\$000	Y-T-D	Period	
							84	Last Year	
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	31923	1851	8988	465	183023	78.8	
Pulpwood Chips	1987168	48879	151199	3336	122376	2867	2288433	16.7	
Wood Pulp, Total	3755201	1363975	322781	141017	359714	152538	4035887	12.1	
Waste Fibrous Materials, Total	157732	26481	12364	2275	13198	2518	158233	0.3	
Paper, Board & Products, Total	8274914	3372726	852052	365480	848876	360937	8342858	15.2	
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	845749	355105	843576	352867	8276759	15.1	
Paper Paperboard & Products	7846516	3277874	804934	355386	803950	350852	8898641	16.2	
Paper & Paperboard, Only	7792924	3179310	798631	345021	788650	342882	8832540	16.0	
Paper, Total	7633585	3139193	782828	340410	792062	337831	8609724	15.4	
Newsprint	6845135	2732234	685092	282489	696391	288845	7690520	14.6	
Printing, Writing & Rel. Pap.	695907	348512	79625	42214	76948	42019	800096	19.9	
Pack. & Ind. Conv. Paper	78209	46889	6113	3884	7251	4824	98830	32.7	
Special Industrial Paper	2732	4473	453	787	170	291	3307	25.5	
Tissue Paper	10602	7085	1545	1026	1303	852	15872	56.6	
Paperboard, Total	150339	40117	15802	4611	16587	5052	222817	51.0	
Convtd Paper&Paperbd Products	53592	98684	8303	10375	5300	8070	66101	32.2	
Wet Machine Board	3036	1916	100	69	123	84	2261	-28.5	
Construction Paper & Board	425362	82836	47017	10015	44803	8901	441857	-0.8	

EXPORTS TO CANADA

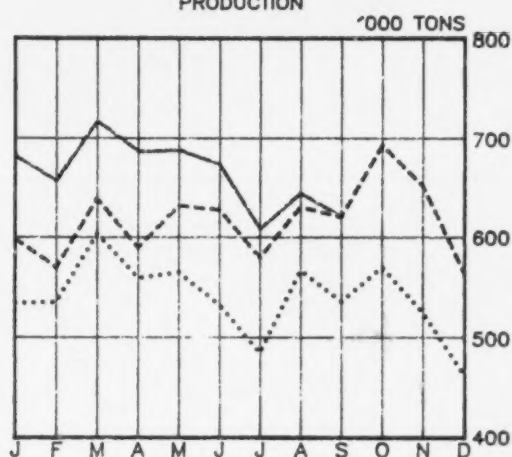
Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	8374	571	7905	591	78942	44.0
Pulpwood Chips	38246	2026	148	7	3340	153	32247	-17.3
Wood Pulp, Total	133633	55368	14391	6775	14230	6651	168621	25.8
Cotton Pulp & Other Pulp	9567	5287	593	371	1156	694	11087	21.3
Waste Paper	346809	38478	29815	3421	30061	3533	339098	0.4
Paper, Board & Products, Total	658228	471256	61252	42106	59838	43833	779778	19.9
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	308687	46637	29461	44183	28741	571834	26.9
Paper, Paperboard & Products	828108	459325	58978	41033	56688	42435	747714	21.0
Paper & Paperboard, Only	416998	294756	44363	28388	41033	27342	539568	29.2
Paper, Total	230771	210826	28445	20848	19691	18497	308326	34.0
Newsprint	4312	3805	308	267	290	274	5116	28.2
Printing, Writing & Rel. Pap.	125110	101541	11579	10391	10582	9743	139033	13.1
Pack. & Ind. Conv. Paper	34403	20821	4070	2498	3897	2344	46884	46.3
Special Industrial Paper	63380	81388	12178	7461	4615	5751	115335	69.5
Tissue	3556	2868	310	231	306	386	2859	-20.8
Paperboard, Total	186228	84131	15918	7541	21342	8845	230243	23.2
Convtd Paper&Paperbd Products	211112	164568	14615	12645	15656	15093	208145	4.0
Wet Machine Board	5289	2978	351	338	476	394	5400	-6.1
Construction Paper & Bd. E	25831	8955	1923	735	2674	1005	26665	-1.7

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

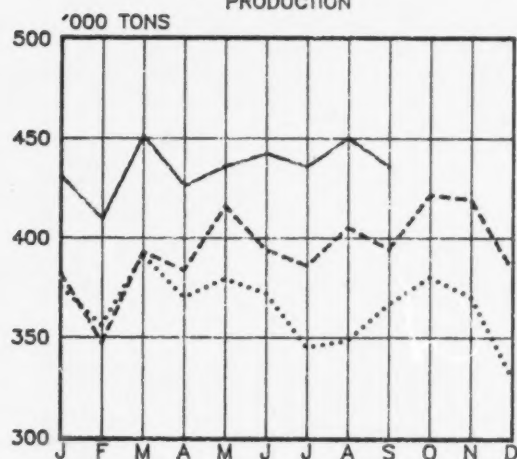
UNBLEACHED KRAFT LINERBOARD PRODUCTION



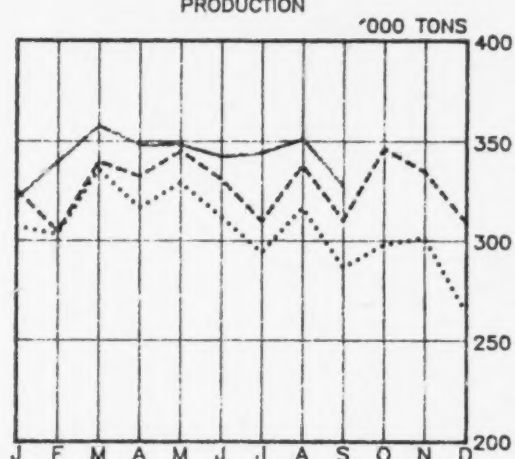
RECYCLED PAPERBOARD PRODUCTION



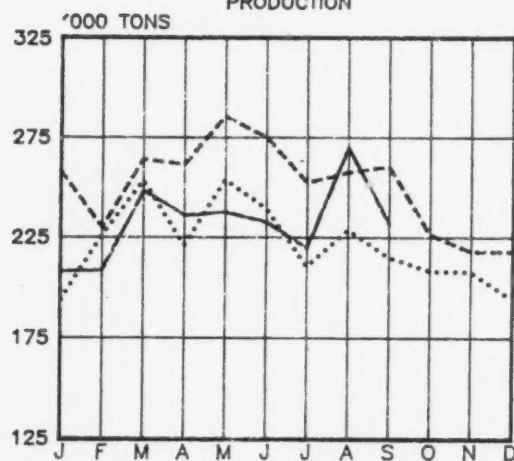
SEMICHEMICAL PAPERBOARD PRODUCTION



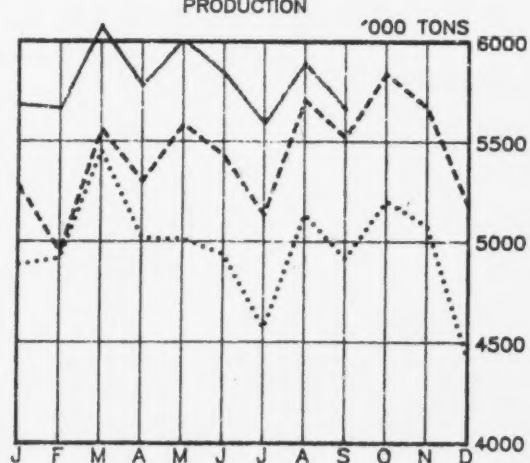
SOLID BLEACHED PAPERBOARD PRODUCTION



PAPERBOARD FOR EXPORT PRODUCTION



TOTAL PAPER AND PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

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I M P O R T S

	YEAR 1983		JULY 1984		AUG. 1984		(1) Annual Rate Y-T-D 1984	% Change from same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	155124	7471	31923	1851	9988	465	183088	79.8
Pulwood Chips	1991453	49104	151218	3339	122794	2875	2289338	16.4
Total All Imports	13248280	5526141	1409498	659086	1393512	641883	15665421	22.6
Wood Pulp Total	4093436	1472478	356727	154666	388975	164996	4394195	11.6
Waste Paper	100410	10537	7940	866	7617	739	109628	8.8
Other Fibrous Materials	68003	24272	5700	2003	7045	2709	72144	6.8
Paper Board & Products Total	8986431	4018855	1039132	501552	989875	473439	11089453	27.8
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	1018840	449340	969581	428211	10875812	27.5
Paper Pbd & Prds ex Cnst&HMB	8509180	3911591	987218	489995	940184	462235	10598708	29.7
Paper & Paperboard Only	8357309	3475028	966925	437782	919890	417007	10385067	29.3
Paper Total	8189491	3428868	941568	430253	901277	411150	10129973	28.6
Newsprint	6919348	2757524	721737	302396	713235	295876	7916399	16.9
Printings & Writings	1151011	587426	207510	118165	174197	105054	2039799	105.5
Uncoated Groundwood	732237	331017	108882	53035	85687	45176	1073730	64.7
Uncoated Book	154147	88632	15194	9877	19145	11927	254170	81.3
Coated Print. & Impres. Par	162441	101289	55302	37905	44088	31623	396778	212.1
Bristols	471	557	40	46	81	88	667	106.8
Writings and Similar Paper	81458	46718	23900	13778	21644	12888	280984	342.8
Thin (except Cigarette)	20258	19213	4191	3525	3554	3353	53468	284.6
Total Pks & Other Paper	107515	75694	10109	8169	10836	8201	151684	52.9
Unbleached Kraft Paper	42013	17454	2782	1169	3553	1679	46543	24.9
Other Pks. & Indust. Paper	65503	58240	7327	6899	7282	6521	105141	69.7
Tissue	11617	8225	2213	1523	3009	2020	22092	101.1
Paperboard, Total	167818	46160	25357	7529	18613	5857	235093	61.7
Test or Containerboard	48119	13042	6738	1546	5678	1945	73674	52.3
Semi-Chemical Corrugations	69564	14509	8047	2047	8782	2300	107817	77.7
Other Paperboard	50136	18609	10572	3936	4154	1612	73603	51.2
Convtd Paper&Paperbd Products	151872	436563	20291	52212	20294	45228	213641	53.7
Paper Products, Total	124816	372966	16757	45243	16156	37904	180119	80.4
Paperboard Products, Total	27055	62597	3534	6968	4138	7325	33522	25.6
Wet Machine Board	3584	2422	235	221	175	111	3101	-13.2
Construction Paper & Board	473667	104842	51680	11336	49516	11093	487645	-1.1
Notes								
Other: No Weight Avail. (\$000)		148251		20518		16562	194252	40.6
Total Imports Incl. Other(\$000)		5674392		679605		658445	7273238	34.6

E X P O R T S

	YEAR 1983		JULY 1984		AUG. 1984		(1) Annual Rate Y-T-D 1984	% Change from same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	69497	4405	8374	571	7905	591	79428	42.8
Pulwood Chips	2554176	171269	196135	13569	213499	15786	2371412	-14.1
Total All Exports	10888949	4221511	922654	370116	958062	381802	11393397	7.1
Wood Pulp Total	3643963	1362022	197776	119788	318333	137824	3659700	3.2
Cotton Pulp and Other Pulp	102863	69805	5683	5231	8586	6670	89765	-5.5
Waste and Old Paper	2573716	308915	258902	33771	274147	35259	3117573	30.2
Paper, Board & Products, Total	4568407	2480768	378293	211327	356996	212050	4526360	-1.7
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	3984277	1717768	333168	153067	308040	147173	3930227	-2.7
Paper, Pbd & Prod ex Cnst&HMB	4501038	2448778	371348	207703	350348	208485	4443094	-2.1
Paper & Paperboard, Only	3916910	1685778	326223	149443	302393	143608	3846961	-3.1
Paper, Total	773414	599370	73047	53726	58411	48929	820125	3.7
Newsprint	294870	127119	25088	9740	20888	9488	302918	2.7
Printings & Writings	201788	198304	16738	17964	15664	17037	205734	2.9
Uncoated Groundwood	37289	33300	2142	2183	1813	1879	28449	-24.4
Clay Coated Paper	79182	60033	7321	5827	6658	5325	90142	20.4
Uncoated Free Sheet	59125	71662	4432	8049	5512	6880	65055	7.9
Other Printings & Writings	26202	33310	2843	3905	1683	2953	22087	-18.6
Total Pks. & Other Paper	260865	255086	29457	24105	21081	21176	293744	5.3
Unbleached Kraft	116170	43227	9370	3956	10800	4600	110927	-7.4
Other Pks. & Indust. Paper	144695	211859	20087	20149	10162	16577	182816	14.9
Tissue	15881	18861	1784	1817	898	1228	17732	4.6
Paperboard, Total	3143496	1086408	253176	85716	243982	94679	3026835	-4.8
Solid Wood Pulp	2993868	1016184	242772	90429	230651	88199	2876185	-4.6
Total Linerboard	2254538	575862	179358	55932	182932	59012	2137028	-5.4
Bleached Kraft Linerboard	160253	64914	14340	5852	8072	3210	127902	-3.9
Unbleached Kraft Linerbd	2094285	510948	165013	50080	174860	55802	2009125	-5.5
Other Unbleached Kraft	107141	51822	13030	4991	6424	3426	124595	18.5
Other Bleached Kraft	558431	371357	48127	28797	36935	24978	375687	1.7
Semi-Chemical Corrugations	73758	17144	2257	709	2359	783	38874	-54.2
Recycled Paperboard	149628	70224	10404	5288	13331	6481	150651	-7.8
Convtd Paper&Paperbd Products	584128	783001	45125	58260	47956	64877	596133	5.0
Paper Products, Total	311722	535596	21210	38233	24032	43108	309581	1.1
Paperboard Products, Total	272408	227406	23915	20027	23924	21769	286552	8.4
Wet Machine Board	11622	5420	1432	725	1187	642	14202	12.9
Construction Paper & Board E	55746	26570	5514	2899	5460	2923	69063	23.5
Notes								
Other: No Weight Avail. (\$000)		7865		1597		636	9122	20.0
Total Exports Incl. Other(\$000)		4229475		371713		392438	4580792	10.2

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1982	1983	JUNE	JULY	AUG.	SEPT	Annual Rate Y-T-D 1984	% Change From sa. Period Last Ye.
Pulp, Paper and Products except Building Grades	273.2	271.4	283.3	285.6	286.3	287.2	281.0	7.9
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper #	275.8	273.3	293.8	296.3	297.0	298.0	281.8	7.3
Total Wood Pulp	378.1	347.1	407.6	410.6	410.0	408.5	384.3	14.1
Total Paper	286.3	282.3	301.4	307.8	306.9	306.7	301.6	7.6
Total Paper, exc. Newsprint	278.3	277.0	300.8	304.5	304.5	303.6	300.6	8.6
Newsprint	315.8	303.0	314.8	334.7	330.7	331.2	318.7	6.3
Total Paperboard	254.8	250.8	278.1	278.1	285.4	288.2	276.6	11.4
Total Paper and Paperboard #	276.5	272.4	294.4	298.9	300.2	300.8	283.8	8.7
Converted Products	264.4	265.4	280.8	281.8	282.4	283.8	278.4	5.2
Waste Paper	121.1	158.6	257.3	254.7	254.5	248.6	246.4	76.0
All Commodities	298.3	303.1	311.4	312.0	310.9	308.5	310.5	2.8
Industrial Commodities	312.3	315.7	323.9	324.0	323.5	32842.0	3835.6	1130.1

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

Paper and Allied Products Companies

Sales and Earnings

	Sales			Net Profit After Taxes ^{1/}			Earnings/Sales	
	1984 (Million Dollars)	1983 (Million Dollars)	Change 84/83 %	1984 (Million Dollars)	1983 (Million Dollars)	Change 84/83 %	1984 %	1983 %
<u>32 Paper and Allied Products Companies</u>								
First Quarter	12,570	10,449	+20.3	554	326	+69.9	4.4	3.1
Second Quarter	13,371	11,099	+20.5	750	401	+87.0	5.6	3.6
Third Quarter	13,104	11,476	+14.2	732	460	+59.1	5.6	4.0
First Three Qtrs.	39,045	33,025	+18.2	2,036	1,188	+71.4	5.2	3.6
<u>4 Forest Products Companies</u>								
First Quarter	3,298	2,814	+17.2	115.5	59.0	+95.8	3.5	2.1
Second Quarter	3,698	3,354	+10.3	198.0	131.7	+50.3	5.4	3.9
Third Quarter	3,668	3,299	+11.2	147.7	62.6	+135.9	4.0	1.9
First Three Qtrs.	10,664	9,467	+12.6	461.2	253.3	+82.1	4.3	2.7
<u>9 Paper Related Companies</u>								
First Quarter	28,001	26,466	+ 5.8	1,072	852	+25.8	3.8	3.2
Second Quarter	28,318	27,033	+ 4.8	1,188	1,141	+ 4.1	4.2	4.2
Third Quarter	28,243	26,963	+ 4.7	1,048	1,203	-12.9	3.7	4.5
First Three Qtrs.	84,562	80,462	+ 5.1	3,308	3,196	+ 3.5	3.9	4.0

1/ As published; income from current operation is used when published separately.

Wood Pulp

Market wood pulp production continued strong, with the nine-month 1984 total at a record-high 6.8 million tons per year, about 5% above its year-ago level. Dissolving pulp production held close to its year-ago level, while the paper grades of chemical market pulp showed a 6.6% gain. Most of this gain was in shipments to the domestic market, which rose 10%, while exports gained only 3%. The relatively small gain in exports reflected the impact of the strong dollar. The strong dollar also stimulated imports: Imports of chemical paper grade market pulp in the first eight months of 1984 (latest available data) were 14% above their year ago level and slightly above the rate of exports. In 1982 and 1983 exports of these grades of wood pulp had exceeded imports, as shown in the table on page 5.

Total wood pulp production in the first eight months of 1984, as shown in the table on page 5, was at the record-high rate of 56 million tons per year, 7.7% above its year-earlier level. For the total of all chemical paper grades, wood pulp production, which includes the wood pulp integrated to paper and paperboard production, was up 7.4%, while production of mechanical pulp, which includes the fast-growing thermomechanical grades, was up 12.3%. Production of semi-chemical wood pulp gained 6.9%.

Sales and Earnings

Data on sales and after-tax earnings of 32 paper and allied products companies reported in the press indicate that both sales and earnings in the third quarter of 1984 showed less than seasonal decline. The data for each of the first three quarters of 1984 and 1983 are shown in the bottom half of page 10.

In the second half of 1983 paper and paperboard production surged strongly upward. Sales and earnings in the third quarter of 1983 reflect the impact of this growth, with both showing a contra-seasonal rise from the second quarter level. Even with this increase, the after-tax margin on sales in that earlier period remained at the relatively low level of 4.0%.

Continued on Page 12

The declines in sales and earnings of these companies in the third quarter of 1984, while less than normal, still resulted in smaller gains over year-ago levels than were evident in the two earlier quarters of 1984. The third quarter 1984 sales gain was 14.2%, compared to 20.4% in the first half of the year, while the after-tax earnings gain was 59.1%, compared to 79.4% in the first half. For entire three quarters of 1984, sales were up 18.2% and earnings 71.4%.

These gains brought the sales margins back toward the levels that prevailed prior to the 1932 recession. For both the second and third quarters of 1984, the margin on sales amounted to 5.6%, while for the entire three-quarter period, the 1984 margin averaged 5.2%.

Sales of these reporting companies represented about 72% of the rate reported for all paper and allied products companies by the Bureau of the Census in its Quarterly Financial Report for Manufacturing, Mining and Trade Corporations. However, these 32 companies include 3 new companies that may not be included in the Census lists. It is Census policy not to release any information on individual company data, even to the point of revealing the names of the companies included in their industrial classifications.

Three forest products companies also reported sizeable volume gains for wood pulp, paper and paperboard. The sales and earnings data for these companies are also shown on page 10.

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 11

NOVEMBER, 1984

PAPER AND PAPERBOARD PRODUCTION: STILL STEADY

The trend position of paper and paperboard production in October 1984 (the average of the September and October seasonally adjusted levels) remained in the 69-70 million tons per year range that has been evident since July. This range is about one million tons per year higher than that of the first six months of 1984. Weekly data for November suggest that production declined a bit more than the usual seasonal drop, but is still well within the range experienced during the year.

If production in December remains at its November rate, the 1984 total would be about 69 million tons, with paper just over 34.5 million tons and paperboard a little short of that level. These totals indicate a 5% gain for paper and a 6.5% gain for paper-board over their respective 1983 record highs.

Among the paper grades, the production trends have been fairly flat since mid-year. In the uncoated free sheet grades, new orders have been below shipments in every month of this year except March; as a result the unfilled order level at the end of October was 43% below its year-ago figure. (The unfilled orders data shown for the three major printing paper grades reflect the latest revisions in these data published by the Printing-Writing Paper Division, based upon their semi-annual re-survey of the orders data.)

Coated paper orders and shipments for the first 10 months of 1984 were within one-half per cent of each other, and demand continues quite strong. The backlogs remains relatively high.

Although imports of uncoated free sheet papers in the third quarter of 1984 were slightly below their first half average, the January-September 1984 rate was in excess of 500,000 tons per year, nearly 3 times its comparable year-ago level. Imports of uncoated free sheet papers accounted for more than 5% of the total new supply in this period.

On a year-to-year basis, the largest gains among the paper grades were in newsprint, up 8% from its year-ago level; coated papers, up 10%; cotton fiber papers, up 9% (although the tonnages here are quite small) and the "other" packaging and

Continued on Page 2

industrial papers, up 6.6%. Among the major markets for printing and writing papers, above-average gains were noted for printers, publishers and business forms converters (this latter category includes computer print-out papers).

Among the paperboard grades, the trend of unbleached kraft paperboard in October 1984 was somewhat below the levels reached in mid-1984, although still above the level of the early months of the year. The 10-month linerboard production total was 8% above its comparable year-ago level even while the production of kraft linerboard for export was down by nearly 10%. Semichemical paperboard production, the other major part of containerboard, showed an 11% gain over its year-ago level. Total production of containerboard for domestic use -- which includes the recycled grades of corrugating materials -- rose by more than 10% from its year-ago level. These totals reflect the strength in demand for corrugated shipping containers.

Boxboard production for domestic use held up fairly well in October. For the entire January-October period, production of folding boxboard rose nearly 9% even though exports fell by 20%. These exports -- largely bleached board -- accounted for only 2.5% of total folding boxboard production. Production of milk carton stock has been strong, showing a 6% gain in this period. Among the miscellaneous grades, production of gypsum wallboard facings in October 1984 was 7% below its year-ago rate, although for the entire January-October period the total was 22% above its comparable year-ago level.

Imports and Exports

Imports of paper, paperboard and products in September 1984 eased slightly from the level of the preceeding three months, but nonetheless remained relatively high. The third quarter 1984 total, at 2.85 million tons, was 37.5% above its comparable year-ago level. For the entire January-September 1984 period, imports were up by 28%.

Exports of paper, paperboard and products, by way of contrast, strengthened somewhat in September, but their third quarter total was slightly below the level of both the previous and year ago quarters. For the entire nine month period, exports of paper, paperboard and products were down about 2%.

This pattern of strength in imports and modest weakness in exports has been evident since the beginning of 1983. The lower table on page 10 shows quarterly data for imports and exports of paper, paperboard and products in some detail.

The quarterly totals of imports of paper, paperboard and products rose in an almost unbroken trend from the beginning of 1983 to the third quarter of 1984, with the third quarter 1984 levelling out at 50% above that of the first quarter of 1983.

PAPER AND PAPERBOARD STATISTICS
PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

Page 3

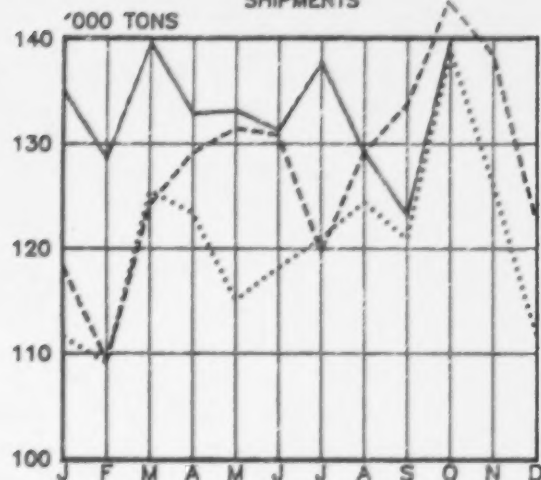
	YEAR		JULY	AUG.	SEPT.	OCT.	Annual	% Change
	1982	1983	1984	1984	1984	1984	Rate Y-T-D 1984	From same Period Last Year
PAPER					R	P		
Newsprint - Production	5042	5187	451	470	457	474	3585	8.2
- Shipments	4988	5153	455	458	451	468	5625	8.8
Printing & Writing	15611	17387	1455	1560	1482	1608	18535	7.2
Groundwood Paper - Shipments	1471	1531	138	129	123	140	1587	4.8
- New Orders	1481	1581	138	150	123	140	1827	1.8
- Unfilled Orders	82	145	150	168	168	170	170	3.4
Coated Paper - Shipments	4974	5688	478	538	486	547	8228	10.5
- New Orders	4841	5884	502	545	478	535	6182	5.8
- Unfilled Orders	322	513	485	488	482	458	458	-11.0
Uncol. Free Sheet - Shipments	7855	8787	727	770	724	800	8238	5.8
- New Orders	7827	8078	886	723	710	775	8870	-2.3
- Unfilled Orders	321	887	448	401	384	387	387	-42.6
Thin Paper - Shipments	328	328	25	28	27	30	344	2.8
Cotton Fiber Paper - Shipments	120	131	10	13	11	11	141	8.4
Bleached Bristols - Production	882	834	77	82	80	82	886	5.8
Tissue Paper - Production	4438	4788	381	411	408	425	4880	1.8
Total Packamans & Other Paper	5300	5633	484	481	482	480	5844	3.8
Unbl. Kraft Paper - Shipments	3888	3807	328	318	313	325	3800	2.5
Other Paper - Production	1812	1826	158	182	148	155	1844	8.6
TOTAL PAPER-Production-Unadj. *	30380	32876	2782	2921	2780	2988	34844	8.0
-Production-S.A. *			2884	2808	2808	2878	34543	5.7
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22588	24778	2184	2323	2222	2243	26825	7.8
Unbl. Kraft Linerboard (1)	13494	15001	1286	1421	1375	1368	18308	8.2
Production for Export	1831	2281	174	214	174	148	2107	-8.5
Other Unbl. Kraft Paperboard	1040	1121	107	101	83	89	1174	1.8
Semichemical Paperboard	4388	4730	436	451	435	440	5231	11.0
Production for Export	185	193	9	17	14	10	148	-27.7
Solid Bleached Paperboard	3665	3928	344	351	330	346	4113	4.5
Production for Export	525	514	38	37	38	38	475	-8.8
Recycled Paperboard	6478	7388	608	645	681	683	8043	8.4
Production for Export	13	24	1	2	2	2	18	-32.8
TOTAL PAPERBOARD-Prod.-Unadj. *	28085	32177	2782	2967	2883	2926	34888	8.0
- Containerboard Prod.(Dom. Use)	17508	19173	1706	1787	1766	1800	21186	10.5
- Boxboard Prod.(Dom. Use) (2)	5150	5551	478	510	515	525	6025	8.4
- All Other P'bd Prod.(D.U.) (2)	3753	4397	388	390	374	403	4898	11.1
- Total Paperbd Prod. for Export	2654	3012	220	270	229	188	2748	-10.8
TOTAL PAPERBOARD PROD.- S.A. *			2830	2858	3032	2808	34345	7.7
TOTAL PAPER AND PAPERBOARD								
Production - actual *	58458	65152	5574	5888	5674	5814	68711	7.0
Production - S.A. *			5924	5685	5941	5687	68888	8.7

(1) Includes all exports of kraft paperboard.
(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

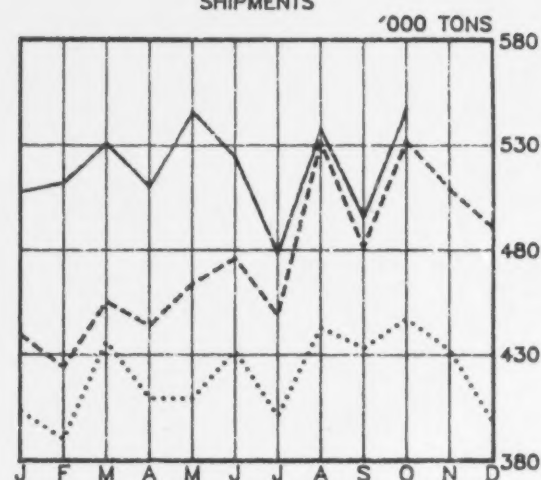
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



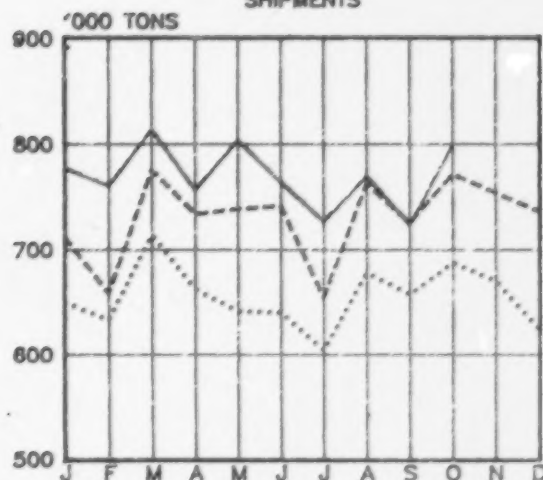
COATED PAPER

SHIPMENTS



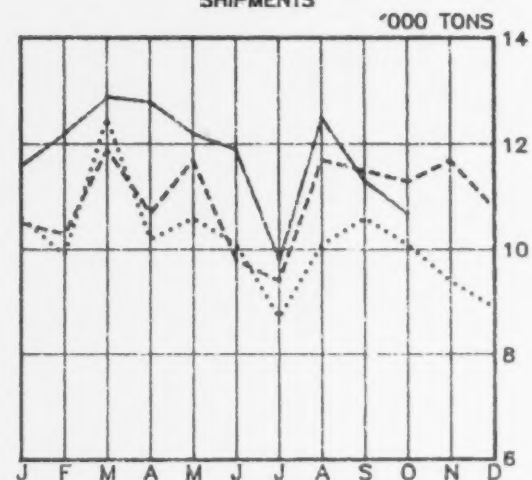
UNCOATED FREE SHEET PAPERS

SHIPMENTS

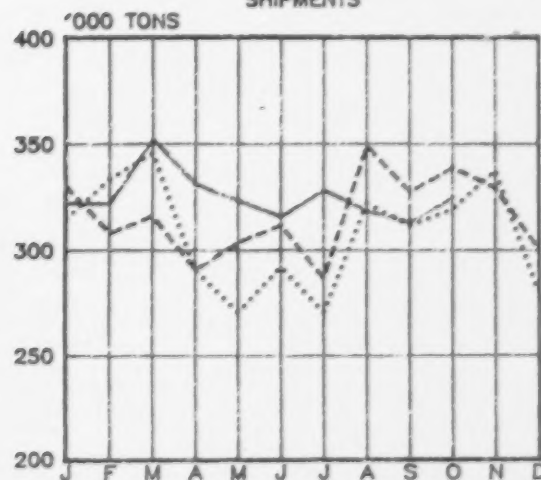


COTTON FIBER PAPER

SHIPMENTS

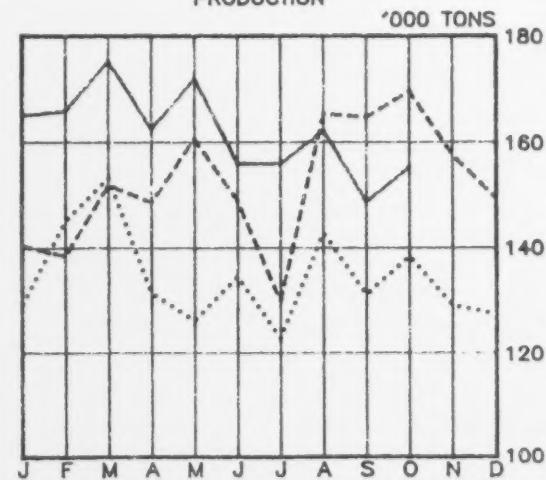
UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		JUNE	JULY	AUG.	SEPT.	Annual	% Change
	1982	1983	1984	1984	1984	1984	Rate	From same
							Y-T-D	Period
							1984	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52537	4686	4530	4791	4551	55907	7.2
- Imports	3656	4083	360	357	389	388	4421	12.2
- Exports	3395	3644	307	278	318	285	3632	1.1
- New Supply	49585	52866	4749	4608	4662	4653	56695	7.9
Dissolving Pulp - Production	1082	1261	100	98	109	73	1221	-1.2
- Imports	188	192	7	15	8	23	187	-15.4
- Exports	631	647	57	41	43	48	605	3.8
- New Supply	647	806	50	73	74	47	783	-8.0
Paper Grades - Production	39478	42358	3767	3645	3891	3696	45017	8.8
Chemical Pulp - Imports	3302	3706	331	321	355	330	3872	11.2
- Exports	2736	2856	243	229	272	232	2872	0.3
- New Supply	40044	43106	3856	3736	3874	3783	46017	7.7
Groundwood and Thermo-Mech. - Production	5064	5067	492	471	461	457	5601	11.6
- Imports	167	195	22	21	26	33	281	63.8
- Exports	27	40	6	9	3	4	55	20.3
- New Supply	5204	5222	498	483	483	486	5827	13.5
Semi-Chemical - Production	3689	3851	346	316	330	326	4068	6.4
- Imports	0	0						
- Exports	0	0						
- New Supply	3689	3851	346	316	330	326	4068	6.4
					Included with Groundwood Pulp			
					330	326	4068	
MARKET WOOD PULP								
Total Market Wood Pulp - Production	5732	6478	554	572	593	547	6782	5.5
- Imports	2443	2845	235	281	273	273	3216	15.1
- Exports	3143	3421	313	253	290	313	3537	2.8
- New Supply	5031	6002	496	589	575	507	6481	11.7
Dissolving Pulp - Production	1088	1260	100	98	109	73	1219	-1.4
- Imports	184	210	11	20	8	11	189	-7.0
- Exports	874	698	81	45	50	67	705	4.0
- New Supply	608	772	50	74	67	16	703	-7.6
Paper Grades - Production	4643	5206	452	472	483	473	5550	7.1
Chemical Pulp - Imports	2202	2698	238	254	280	241	2938	14.8
- Exports	2468	2723	232	208	240	246	2832	2.6
- New Supply	4377	5181	458	518	503	468	5856	13.5
Groundwood Pulp and All Other - Production	1	12	2	1	1	1	13	16.3
- Imports	46	38	6	7	4	4	76	147.3
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	47	49	8	7	5	5	80	112.4

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS

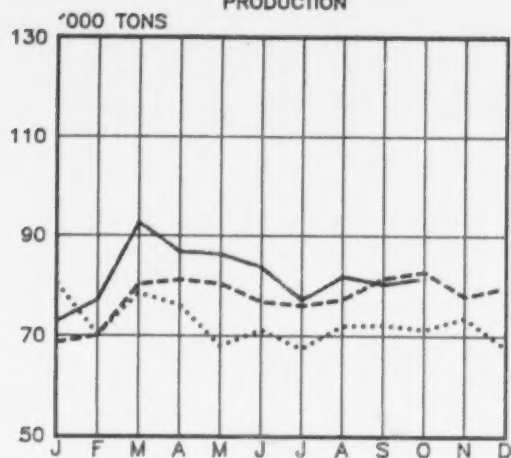
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	81332	65517	5893	5646	6084	5761	70408	8.7
Total Wood Pulp	47767	50978	4562	4437	4684	4478	54543	8.1
Waste Paper	13565	14538	1331	1208	1370	1283	15863	10.5
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	159	153	159	162	162	-11.0
Market Pulp at Pulp Mills	437	384	319	379	408	415	415	-3.8
Mkt Pulp at Ppr. & Bd. Mills *	429	504	596	542	506	508	508	10.2
Waste Paper at Paper & Bd. Mills	1022	920	870	834	855	831	831	6.3
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	25	30	28	30	30	-3.2

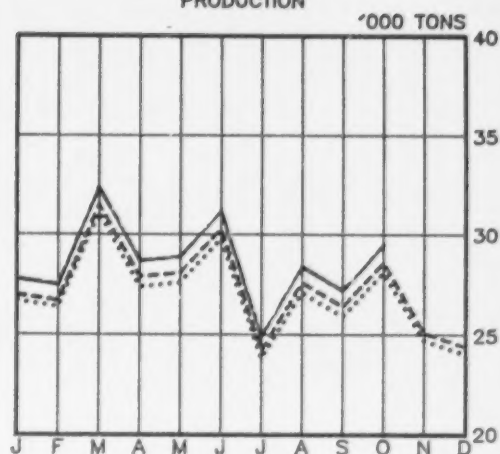
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

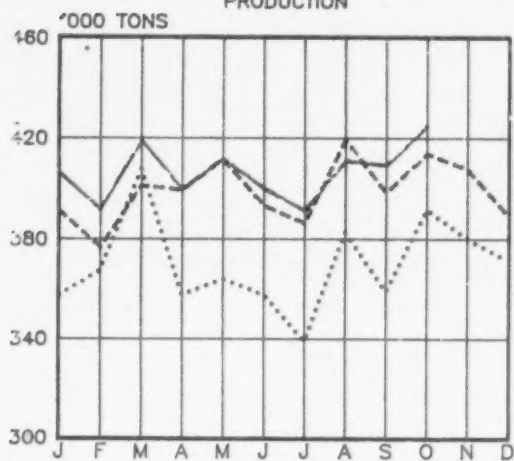
BLEACHED BRISTOLS PRODUCTION



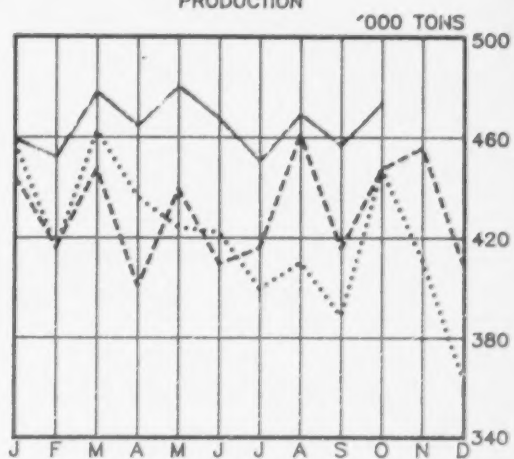
THIN PAPER PRODUCTION



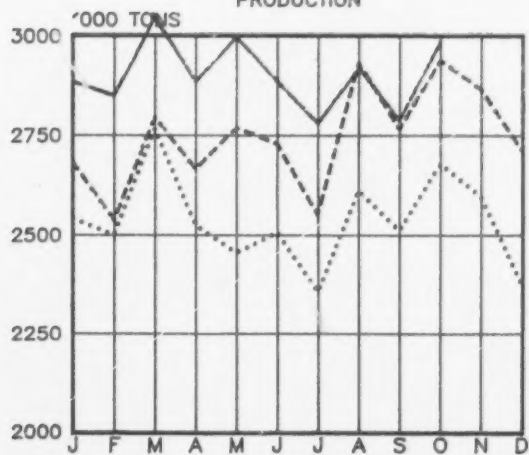
TISSUE PAPER PRODUCTION



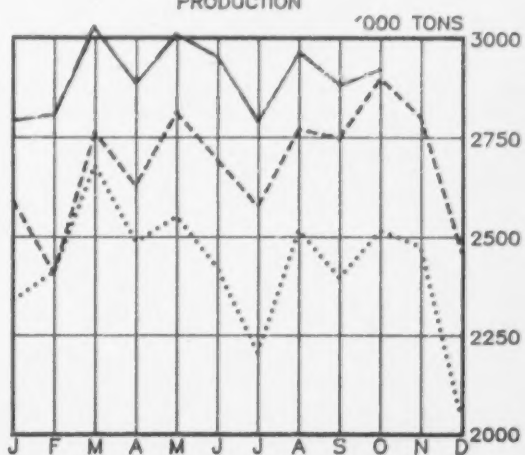
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

Page 7

		YEAR		JUNE	JULY	AUG.	SEPT	Annual	% Change
		1982	1983	1984	1984	1984	1984	Rate	From same
								Y-T-D	Period
								1984	Last Year
PULPMOOD									
Total U.S.	- Total Receipts	78519	84475	7423	7197	7642	7398	80376	5.3
	- Total Consumpt.	78039	85442	7264	7192	7368	7246	87991	3.3
	- Residues *	31152	32755	2652	2547	2690	2526	32307	-0.8
	- Inventories	5428	5229	4682	4621	4825	5023	5023	-0.6
So. Atlantic									
	- Total Receipts	23788	25736	2402	2301	2336	2464	27065	5.6
	- Total Consumpt.	23725	25847	2290	2301	2319	2464	27027	4.6
	- Residues *	8273	7904	721	660	684	680	8144	3.6
	- Inventories	1185	1163	1080	1039	1045	1163	1163	2.1
Northeast									
	- Total Receipts	7283	7051	606	577	615	623	7347	7.3
	- Total Consumpt.	7221	7274	648	542	574	595	7508	4.8
	- Residues *	1452	1199	113	115	146	133	1456	27.0
	- Inventories	652	577	375	422	481	491	491	-2.6
South Central									
	- Total Receipts	28510	28408	2705	2555	2789	2529	31019	6.2
	- Total Consumpt.	27153	28152	2575	2618	2708	2483	30691	5.4
	- Residues *	8618	9218	769	757	822	705	9045	-2.3
	- Inventories	1346	1536	1428	1191	1215	1186	1186	-16.5
North Central									
	- Total Receipts	5601	6285	582	576	632	526	7001	12.2
	- Total Consumpt.	5708	6343	560	523	558	511	6695	5.8
	- Residues *	1517	1822	136	121	138	116	1528	-15.1
	- Inventories	825	851	821	817	855	866	866	1.8
West									
	- Total Receipts	15356	16014	1128	1188	1270	1256	15943	-0.2
	- Total Consumpt.	15234	16826	1191	1208	1209	1193	16071	-4.1
	- Residues *	11284	12812	913	894	900	892	12133	-3.1
	- Inventories	1338	1102	980	1152	1229	1317	1317	15.8

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

		YEAR 1983		AUG. 1984	SEPT 1984	Annual	% Change
		Tons	\$000	Tons	\$000	Rate	From same
						Y-T-D	Period
						1984	Last Year
Pulpwood, Roundwood							
(in cords of 128 cubic feet)		155124	7471	9988	465	18138	74.4
Pulpwood Chips		1997168	48979	122376	2867	158729	11.1
Wood Pulp, Total		3755201	1363975	359714	152538	332835	10.8
Waste Fibrous Materials, Total		157732	28491	13198	2519	12681	0.7
Paper, Board & Products, Total		8274914	3372726	848876	360937	808620	15.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.		8221322	3274062	843576	352867	802578	15.6
Paper, Paperboard & Products		7846516	3277974	803950	350952	762046	16.7
Paper & Paperboard, Only		7782924	3179310	798650	342882	756003	16.6
Paper, Total		7633585	3139193	782062	337831	739155	16.0
Newsprint		6845135	2732234	696391	289845	646871	15.3
Printing, Writing & Rel. Pap.		695907	348512	76948	42018	80734	21.6
Pack. & Ind. Conv. Paper		79208	46889	7251	4824	8865	25.8
Special Industrial Paper		2732	4473	170	281	346	19.7
Tissue Paper		10602	7085	1303	652	354	65.7
Paperboard, Total		159338	40117	18587	3052	1554	43.6
Corrugated Paper & Paperboard Products		53582	98664	5300	8070	5045	30.5
Wet Machine Board		3036	1916	123	84	10126	-30.1
Construction Paper & Board		425362	92836	44803	9901	48472	0.4

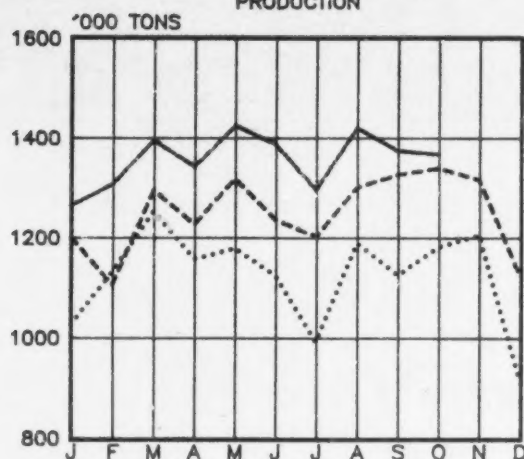
EXPORTS TO CANADA

Pulpwood, Roundwood		88965	4381	7905	591	6757	174	79180	28.0
(in cords of 128 cubic feet)		38246	2026	3340	153	1568	72	30755	-18.6
Pulpwood Chips		133633	55369	14230	8631	11884	5497	165731	24.7
Wood Pulp, Total		9567	5287	1156	694	874	620	11020	22.1
Cotton Pulp & Other Pulp		346808	39478	30061	3533	28203	3169	339024	-0.4
Waste Paper		659228	471256	59839	43833	47646	38328	756664	15.7
Paper, Board & Products, Total		448117	306687	44183	28741	36774	26461	557150	23.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board		428109	459325	56688	42435	45783	37486	725678	16.7
Paper, Paperboard & Products		416998	294756	41033	27342	34910	25629	526184	25.8
Paper & Paperboard, Only		230771	210626	19691	18487	17183	17658	287967	29.1
Paper, Total		4312	3805	280	274	303	256	4951	14.4
Newsprint		125110	101541	10582	9743	9762	8890	136600	10.4
Printing, Writing & Rel. Pap.		34403	20821	3887	2344	2876	1887	45508	41.3
Pack. & Ind. Conv. Paper		83380	81388	4815	5751	3878	6159	107825	82.2
Special Industrial Paper		3556	2969	306	388	263	365	2981	-26.0
Tissue		186226	84131	21342	8845	17728	7972	228297	21.7
Paperboard, Total		211112	164568	15656	15093	10872	11867	199514	-1.9
Corrugated Paper & Paperboard Products		5289	2876	476	394	309	224	5213	-5.6
Wet Machine Board		25831	8955	2674	1005	1554	608	25774	-4.7
Construction Paper & Bd. E									

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

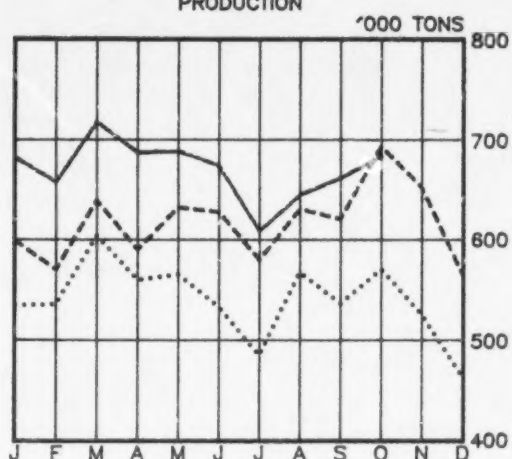
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



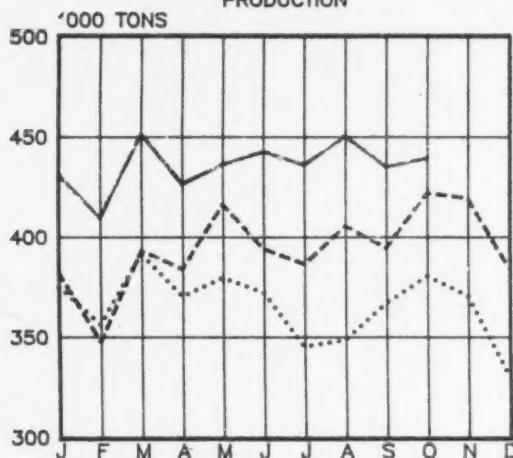
RECYCLED PAPERBOARD

PRODUCTION



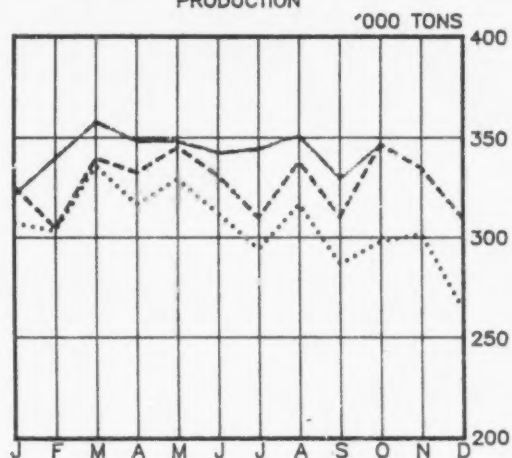
SEMICHEMICAL PAPERBOARD

PRODUCTION



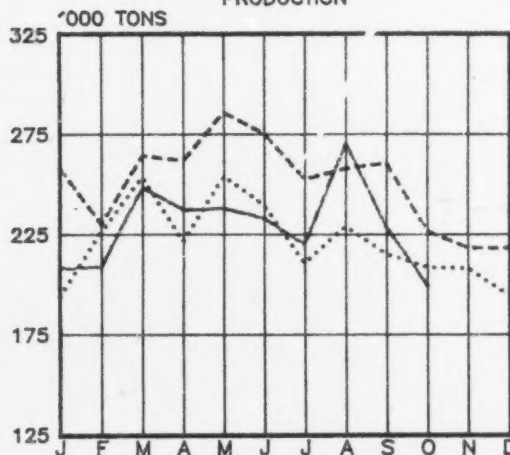
SOLID BLEACHED PAPERBOARD

PRODUCTION



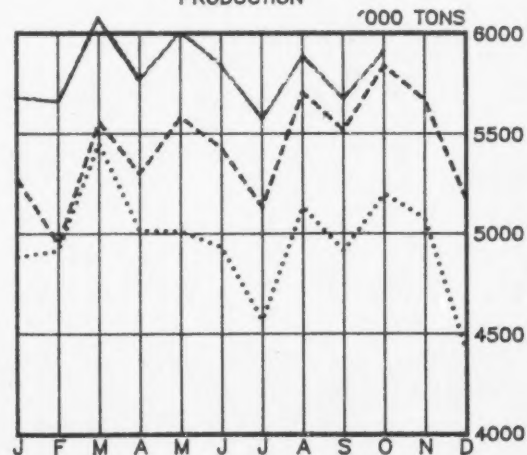
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1982 1983 ----- 1984 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 8

IMPORTS

	YEAR 1983		AUG. 1984		SEPT. 1984		(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	155124	7471	8988	465	18151	818	186855	74.5
Pulwood Chips	1991453	49104	122794	2875	158731	3471	2246608	10.8
Total All Imports	13248280	5526141	1393512	641883	1370638	645280	15752338	23.0
Wood Pulp, Total	4083436	1472478	388975	164996	386007	163146	4420627	12.2
Waste Paper	100410	10537	7617	739	8948	1129	110712	10.3
Other Fibrous Materials	68003	24272	7045	2709	4364	1881	68847	5.5
Paper, Board & Products, Total	8986431	4018855	889875	473439	870319	479124	11151050	28.2
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	869581	428211	849382	427813	10933231	27.8
Paper Pbd & Prds ex Cnst&WMB	8508180	3811591	840184	462235	819814	467050	10847492	30.0
Paper & Paperboard Only	8357308	3475028	819890	417007	898877	415740	10428673	28.5
Paper, Total	8189481	3428888	801277	411150	880845	409532	10179014	29.1
Newsprint	8819348	2757524	713235	295876	666312	283088	7825215	17.5
Printings & Writings	1151011	587426	174197	105054	199173	115817	2078719	102.8
Uncoated Groundwood	732237	331017	85687	45176	111872	58112	1103323	83.2
Uncoated Book	154147	88632	19145	11927	11879	252103	252103	78.8
Coated Print. & Impres. Pap	162441	101289	44086	31623	45994	32177	414018	214.5
Bristols	471	557	81	88	53	87	678	94.3
Writings and Similar Paper	81458	46718	21644	12888	16715	9601	234273	305.8
Thin (except Cigarette)	20258	19213	3554	3353	5087	3951	54324	280.6
Total Pks. & Other Paper	107515	75894	10836	8201	11876	8600	150399	44.3
Unbleached Kraft Paper	42013	17454	3553	1679	3617	1645	46185	13.3
Other Pks. & Indust. Paper	65503	58240	7282	6521	8058	6955	104204	64.2
Tissue	11617	8225	3009	2020	3783	2627	24682	120.2
Paperboard, Total	167818	46160	18613	5857	17932	5808	250859	53.5
Test or Containerboard	48119	13042	5678	1945	4195	1498	71081	47.4
Semi-Chemical Corrugations	89584	14509	8782	2300	8798	2278	107588	68.7
Other Paperboard	50138	18609	4154	1612	4939	2031	72011	42.3
Convtd Paper&Paperbd Products	151872	436563	20294	45228	20937	51311	217820	54.4
Paper Products, Total	124816	373866	16156	37904	17284	43783	183151	59.7
Paperboard Products, Total	27055	62597	4138	7325	3653	7528	34688	31.1
Wet machine Board	3584	2422	175	111	148	108	2953	-15.2
Construction Paper & Board	473667	104842	48516	11093	50357	11965	500605	0.1
Notes								
Other: No Weight Avail. (\$000)		148251		16562		18868	197828	38.3
Total Imports Incl. Other(\$000)		5674352		658445		664149	7350832	35.2

EXPORTS

	YEAR 1983		AUG. 1984		SEPT. 1984		(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood, Roundwood (cords)	69497	4405	7905	591	6757	174	79612	27.3
Pulwood Chips	2554176	171269	213499	15786	218751	16383	2399589	-10.4
Total All Exports	10888948	4221511	958062	381802	988813	383171	11488800	7.1
Wood Pulp, Total	3643963	1362022	318333	137824	284526	124673	3632435	1.1
Cotton Pulp and Other Pulp	102863	69805	8586	6670	8118	4240	87948	-12.0
Waste and Old Paper	2573716	308915	274147	35258	299185	37766	3213327	32.6
Paper, Board & Products, Total	4568407	2480769	356996	212050	398984	226492	4555090	-1.2
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3984277	1717788	309040	147173	357236	166631	3969771	-1.7
Paper, Pbd & Prod ex Cnst&WMB	4501039	2448779	350348	208485	393600	223304	4473896	-1.5
Paper & Paperboard, Only	3816910	1685778	302393	143608	351851	163443	3888577	-2.0
Paper, Total	773414	589370	58411	48528	65819	51512	816893	4.5
Newsprint	294870	127119	20688	9488	29313	13231	308343	4.7
Printings & Writings	201798	198304	15664	17037	14234	15459	201853	1.1
Uncoated Groundwood	37289	33300	1813	1879	3007	2631	29298	-20.4
Clay Coated Paper	78182	60033	6656	5325	5264	4539	87145	14.0
Uncoated Free Sheet	59125	71662	5512	6880	4312	6108	63576	6.3
Other Printings & Writings	26202	33310	1683	2953	1650	2181	21833	-18.2
Total Pks. & Other Paper	260885	255086	21061	21176	21109	21018	288250	6.7
Unbleached Kraft	116170	43227	10900	4600	10837	4176	113051	-2.8
Other Pks. & Indust. Paper	144695	211859	10162	16577	10272	16841	176189	13.8
Tissue	15881	18661	898	1228	1264	1805	17447	5.2
Paperboard, Total	3143496	1086408	243982	94679	285932	111931	3071684	-3.8
Solid Wood Pulp	2883668	1016184	230651	88199	271105	104941	2918003	-3.6
Total Linerboard	2254536	975862	182932	59012	211747	68721	2173189	-5.1
Bleached Kraft Linerboard	180253	64814	8072	3210	11841	5567	129480	-10.8
Unbleached Kraft Linerbd	2094285	510948	174860	55802	189906	63154	2043710	-4.7
Other Unbleached Kraft	107141	51822	8424	3426	12218	5352	127042	19.1
Other Bleached Kraft	558431	371357	38935	24978	43808	29712	578776	4.6
Semi-Chemical Corrugations	73758	17144	2359	783	3331	1157	38996	-50.2
Recycled Paperboard	149628	70224	13331	6481	14827	6990	153682	-3.7
Convtd Paper&Paperbd Products	584128	763001	47958	64877	41748	59881	585318	2.2
Paper Products, Total	311722	535596	24032	43108	20299	39599	302007	-2.3
Paperboard Products, Total	272408	227406	23924	21769	21448	20282	283312	7.5
Wet Machine Board	11622	5420	1187	642	878	446	13785	16.4
Construction Paper & Board E	55746	26570	5460	2923	4507	2742	87399	21.7
Notes								
Other: No Weight Avail. (\$000)		7985		636		675	8008	16.1
Total Exports Incl. Other(\$000)		4229475		392438		393846	4596042	10.1

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1987 = 100

	1982	1983	JULY	AUG.	SEPT	OCT.	Annual Rate Y-T-D 83	% Change From same Period Last Year
Pulp, Paper and Products except Building Grades	273.2	271.4	285.6	286.3	287.2	288.3	291.7	7.8
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper &	275.8	273.3	286.3	287.0	288.0	299.4	292.6	7.5
Total Wood Pulp	378.1	347.1	410.6	410.0	409.5	399.5	384.9	14.2
Total Paper	286.3	282.3	307.8	306.8	306.7	308.0	302.3	7.6
Total Paper, exc. Newsprint	278.3	277.0	304.5	304.5	303.6	303.1	300.8	9.3
Newsprint	315.8	303.0	334.7	330.7	331.2	338.2	321.6	6.6
Total Paperboard	254.8	250.8	279.1	283.4	288.2	281.6	278.1	11.6
Total Paper and Paperboard #	276.5	272.4	298.8	300.2	300.8	302.9	294.7	8.8
Converted Products	264.4	265.4	281.8	282.4	283.6	285.8	278.2	5.4
Waste Paper	121.1	158.6	254.7	254.5	249.6	235.6	245.4	66.2
All Commodities	288.2	303.1	312.0	310.8	308.5	309.4	310.4	2.6
Industrial Commodities	312.3	315.7	324.0	323.5	322.3	323.2	322.4	2.3

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

IMPORTS AND EXPORTS

	1983					1984		
	I-Qtr.	II-Qtr.	III-Qtr.	IV-Qtr.	Year	I-Qtr.	II-Qtr.	III-Qtr.
<u>Imports</u>	(Thousand Tons)							
Paper, Paperboard and Products	1,913	2,161	2,070	2,365	8,509	2,492	2,647	2,847
Paper and Paperboard	1,883	2,124	2,031	2,319	8,357	2,443	2,593	2,786
Paper	1,847	2,080	1,989	2,274	8,189	2,373	2,537	2,724
Paperboard	36	44	42	45	168	70	56	62
Products	30	36	39	46	152	48	54	62
<u>Exports</u>	(Thousand Tons)							
Paper, Paperboard and Products	1,061	1,182	1,164	1,094	4,501	1,052	1,188	1,115
Paper and Paperboard	924	1,034	1,019	940	3,917	895	1,042	980
Paper	194	199	193	187	773	196	220	197
Paperboard	729	834	827	753	3,143	698	821	783
Products	137	148	145	155	584	157	147	135
<u>Paper, Paperboard and Products</u>	(Million Dollars)							
Imports	855	980	963	1,113	3,912	1,183	1,291	1,419
Exports	588	635	617	609	2,449	613	678	639
<u>Total All Imports</u> ^{1/}								
Imports	1,248	1,422	1,408	1,596	5,674	1,679	1,832	2,002
Exports	989	1,091	1,051	1,098	4,229	1,100	1,196	1,158

SOURCE: Bureau of the Census, Department of Commerce, Foreign Trade Division

Qtr. - Quarter

1/ - Includes paper, paperboard, construction grades, wet machine board,
wood pulp and other fibers

At the same time, total exports fluctuated in a rather narrow range of 1.06 million tons to 1.19 million tons. Exports of each sector of the industry also fluctuated within a narrow range during this period.

These trends are consistent with the strength in demand for total paper and paperboard and the generally high operating rates that prevailed during this period. In such an economic environment, demand for imports tends to be quite strong. At the same time, export demand was severely restrained by the high value of the U.S. dollar in foreign markets.

The dollar value of imports and exports are shown in the lower four lines of this chart. The first pair shows the value of imports and exports of paper, paperboard and products.

The last two lines of this table show the dollar value of total imports and total exports, which include data on wood pulp, waste paper and, in the case of imports, miscellaneous fibers. This lower line shows that the trend of growth in the value of imports during 1984 has been much steeper than that of exports. For the entire nine month 1984 period, as shown in the table on page 9, the value of imports was about 60% higher than the value of exports.

Fibrous Materials

According to preliminary data, production of chemical paper grade market pulp in October 1984 showed a relatively strong gain, moving to 534,000 short tons, marking a new high for this product. October 1984 was the first time that the production of chemical paper grade market pulp rose above 500,000 short tons. The October rise in production was, however, reflected in inventory gains; inventories increased about 90,000 short tons in that month.

For the entire ten month period, production of these grades of wood pulp was 7.6% ahead of the comparable 1983 total. Domestic shipments rose by 9%, while export shipments were up about 2%.

The data on page 5 show production of total wood pulp and market wood pulp through September 1984. This table shows the total production of wood pulp rose by 7.2% over its year ago level in the first nine months of 1984, with total chemical paper grade pulp showing a gain of almost that magnitude. Production of the groundwood and thermomechanical grades rose by 11.8%, largely reflecting the strength in demand for newsprint and for coated groundwood papers.

Capital Appropriations

The Conference Board has made available data on capital appropriations by paper and allied products companies included in the 1,000 largest companies in the U.S. for the third quarter of 1984. These data show that appropriations in that quarter

held close to the second quarter high. At \$1.64 billion, the third quarter rate of appropriations was 74% above that of actual expenditures by these companies. Even after cancellations of \$144 million are taken into account, net appropriations were 59% above expenditures.

For the first three quarters as a whole, total appropriations amounted to \$4.5 billion; actual expenditures \$2.6 billion; cancellations of previously approved projects about \$0.3 billion. As a result of these trends, the closing backlog of unspent appropriations rose from \$4.0 billion at the end of 1983 to \$5.5 billion at the end of the third quarter of 1984. This reversed the trend evident during 1983 when the backlog of unspent appropriations declined from \$5.1 billion at the start of the year to the \$4.0 billion at the year's end.

The rather sizeable volume of appropriations in the first three quarters of 1984, together with the billion and a half dollar increase in the backlog of unspent appropriations, suggest that capital expenditures by these companies will continue strong during the remainder of 1984 and probably through the first half of 1985 as well. This is consistent with data on capital expenditures by the Department of Commerce, which show the 1984 total capital expenditures by paper companies at a record high \$7.1 billion, 15% above their year-ago level. Recently-released data by McGraw Hill Economics indicate they expect paper company capital expenditures to rise another 10% in 1985. However, McGraw Hill shows only a 10% increase in capital expenditures from 1983 to 1984.

Capacity

The American Paper Institute has just released its 1984 Paper, Paperboard and Wood Pulp Capacity Survey. This report indicates producers expect paper and paperboard capacity to rise by 1.6% per year from the end of 1984 to the end of 1987, wood pulp capacity at 1.4% per year. If the construction grades are included, the rate of increase in the coming three years will only be 1.5% per year. This is somewhat below the average rate of gain in the first half of 1980's and below the 2% per year increase indicated for paper and paperboard in the entire 1975-1984 period.

The survey shows that total paper and paperboard capacity was 71.1 million tons in 1983, 72.7 million tons in 1984, and is expected to rise to 76.3 million tons in 1987.

The Capacity Survey has been mailed to API members. Non-members may obtain a copy of the report by writing to the Capacity Department, American Paper Institute, 260 Madison Avenue, New York, New York 10016. The price is \$250.00 for shipments to domestic addresses, \$275.00 for shipments overseas. New York residents, please add the 8.25% sales tax.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

NOV. 26, 1984

	PRODUCTION (000 TONS)					% Change 84/83
	Oct. 1984	Sept 1984	Oct. 1983	Jan - Oct. 1984 - 1983		
PAPER GRADES	P	R				
Newsprint	474	457	448	4654	4301	8.2
Printings & Writings	1609	1462	1571	15446	14405	7.2
Uncoated Groundwood (s)	140	123	144	1331	1270	4.8
Coated Paper (s)	547	496	532	5190	4696	10.5
Uncoated Free Sheet Paper (s)	800	724	772	7699	7276	5.8
Thin Paper (s)	30	27	29	287	278	2.9
Cotton Fiber Paper (s)	11	11	11	118	109	8.4
Bleached Bristols (s)	82	80	83	822	776	5.9
Tissue Paper	425	409	414	4067	3991	1.9
Total PKs & Other Paper	480	462	510	4870	4690	3.8
Unbleached Kraft Packagings & Indl. Conversions (s)	325	313	340	3250	3171	2.5
Other Paper	155	149	170	1620	1519	6.6
TOTAL PAPER	2988	2790	2942	29036	27387	6.0
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1457	1457	1439	14567	13519	7.7
Unbleached Kraft Linerboard	1368	1375	1340	13588	12559	8.2
Other Unbl. Kraft Paperboard	89	83	99	978	961	1.8
Semichemical Paperboard	440	435	422	4359	3926	11.0
Bleached Paperboard	346	330	346	3428	3281	4.5
Recycled Paperboard	683	661	693	6703	6181	8.4
TOTAL PAPERBOARD	2926	2883	2901	29057	26908	8.0
TOTAL PAPER AND PAPERBOARD	5914	5674	5843	58093	54295	7.0
WOOD PULP (ALL GRADES)	Sept 1984	Aug. 1984	Sept 1983	Jan - Sept 1984 - 1983		% Change 84/83
Dissolving & Special Alpha	73	109	91	916	927	-1.2
Bleached Sulfite	110	116	113	1035	973	6.4
Unbleached Sulfite	17	16	23	204	235	-13.2
Bleached & Semi-Bl. Sulfate	1845	1923	1695	16693	15727	6.1
Unbleached Sulfate	1724	1836	1754	15832	14646	8.1
Semichemical	326	330	318	3051	2868	6.4
Groundwood and Thermomechanical	457	461	422	4201	3756	11.8
TOTAL PULP DIVISION DATA	4551	4791	4416	41930	39132	7.2

(s) - Shipments R - Revised
P - Preliminary

November 28, 1984

November 29, 1984	Full Year		INDUSTRY DATA 1984			Ann. Rate Year - To - Date	% From Same Pd. Last Yr.
	1982	1983	R August	R September	P October		
PAPER AND PAPERBOARD -- Tons (000)							
Total Production (API).....I excluding I...	58458	65152	5888	5874	5814	68712	7.0
Total Seasonally Adjusted.....I construction I...			5885	5841	5887	68888	6.7
Imports (including Products) I and wet I...E	7603	8508	840	820	N.A.	10863	28.1
Exports (including Products) I machine I...E	4187	4501	350	394	N.A.	4423	-1.7
Apparent Consumption.....I grades I...	62872 a	68160 b	6255	6467	6257	73181 c	+8.9
Paper Production % Tonnage Capacity.....	87.8 a	93.6 a	95.4	92.2	95.0	85.8 a	-
Paperboard Production % Tonnage Capacity.....	82.1 a	80.4 a	85.3	93.2	83.8	86.8 a	-
IMPORTS.....I including Construction and I.....							
EXPORTS.....I HPS Grades (excl. HPS) I.....	8024	8986	1038	990	970	11151	27.5
	4246	4568	378	357	389	4555	-0.2
MARKET WOOD PULP PRODUCTION - Tons (000).....							
TOTAL WOOD PULP PRODUCTION - Tons (000).....(F)....	48334	52537	4530	4781	4551	55907	7.2
WOOD PULP IMPORTS - TONS (000).....	3856	4083	337	389	388	4421	12.2
WOOD PULP EXPORTS - TONS (000).....	3395	3644	279	318	285	3832	1.1
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS I excluding I							
Wood Pulp.....I consumption for I.....	47767	50978	4437	4694	4478	54543	8.1
Waste Paper.....I construction & I.....	13565	14538	1208	1370	1283	15863	10.5
TOTAL.....I HPS grades I.....	61332	65517	5646	6064	5761	70406	8.7
PULPMOOD CONSUMPTION Cards(000) Amer. Pulp. Assn	79038	85442	7192	7368	7246	87891	3.3
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....	682.4	681.6	680.6	685.3	685.9	682.2	3.5
Pulp, Paper and Board Mills.....Total.....E	258.9	258.2	267.3	263.5	264.5	264.0	2.6
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.32	9.94	10.50	10.54	10.56	10.38	5.2
Pulp, Paper Mills.....E	10.87	11.70	12.56	12.68	12.70	12.37	6.5
Paperboard Mills.....E	11.13	12.11	13.14	13.20	13.22	12.91	7.4
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS							
(Rept. by US Dept. of Com., Ann. Rates, Bill. \$) e	5.97	8.18	8.18	7.07	7.09	7.13 v	15.4
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....							
IN PULP, PAPER I...Production Workers.....	106.3 RS	108.4 RS	SERIES	UNDER REVIEW	October		
AND BOARD MILLS I...All Employees.....	115.8 RS	118.0 RS	SERIES	UNDER REVIEW	October		
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce) *.....	78892	85662	8201	7995	7824	85249	13.6
Pulp, Paper and Paperboard *.....	33523	36346	3345	3498	3390	41333	16.1
Inventories (End of Period) - Total Industry *.....	8607	8729	8353	8425	8682	8882	14.0
Pulp, Paper and Paperboard *.....	3365	3263	3480	3471	3527	3527	9.6
Sales (Corporations Only, FTC).....	80293	85008	18873	17459	18884	72308	14.6
Earnings (Corporations Only, FTC).....	1460	2470	541	685	653	2680	-9.6
Depreciation (Corporations Only, FTC).....	2379	2607	643	693	699	2784	8.1
Net Worth (Corporations Only, FTC).....	26705	27219	27219	27617	28130	28130	5.7
PRICE INDEXES (Bureau of Labor Stats) 1967=100							
Pulp, Paper & Products, ex. Building Grades... August	273.2	271.4	286.3	297.2	298.3	291.7	7.9
Wood Pulp..... September	378.1	347.1	410.0	409.5	398.5	394.9	14.2
Waste Paper..... October	121.1	158.6	254.5	249.6	235.6	Not Available	
Paper.....	286.3	282.3	306.9	306.7	308.0	302.3	7.6
Paperboard.....	254.9	250.8	285.4	288.2	281.8	278.1	11.6
PAPER DEMAND (INDEXED: 1967=100)							
Total Paper Production *..... August	145.2	157.8	160.9	166.7	164.9	164.9	5.7
Paper New Supply *..... September	135.1	147.8	160.5	183.9	182.3	180.9	10.5
Total End - Use Index *..... October	148.5	157.8	175.8	175.7	176.0	172.2	10.2
Production of Nondurable Goods *... (19%)..	156.1	168.0	181.7	180.6	181.4	178.8	7.7
Disposable Income (Constant \$) *... (23%)..	157.8	163.4	175.3	178.2	178.4	173.9	7.0
Total Printings and Publishing *... (58%)..	144.0	152.3	174.1	173.8	174.0	169.1	12.4
Trend Factor							
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	127.6	141.2	150.2	159.4	147.7	150.5	7.7
Production for Domestic Use	122.7	135.5	144.1	156.2	145.4	146.7	9.6
Total End - Use Index *.....	139.5	148.9	163.5	162.5	162.5	161.6	9.5
Production of Consumer Goods *... (60.48%)	142.7	151.8	162.5	161.6	161.9	161.5	7.1
Production of Equipment *... (6.62%)	139.8	140.8	168.8	169.3	170.0	162.5	17.0
Production of Materials *... (32.88%)	133.7	145.2	164.3	162.8	162.1	161.6	12.7
Trend Factor							
Not Available							
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000)..... July	11141	11871	1006	1045	1067	12321	9.6
Newspaper Pub. and Printing Empl. Total(000)..... August	417.5	421.6	443.3	443.8	445.4	440.3	5.0
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.)..... September	121617	99255	10063	10434	12938	140881	6.5
WHOLESALESALES AND INVENTORIES (Million \$)(J).....							
Total Paper & Pap. Prods., ex Wallpaper..Sales	22776	26532	2628	2875	2580	31408	22.1
Inventories (End of Period)	1885	2341	2581	2594	2554	2554	14.9
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet)..... August	235185	252539	23859	21793	24852	272900	7.5
Container'd Inventory at Mill & Plant(000Tons) September	2584	2437	2711	2701	2588	2588	12.5
RETAIL TRADE (Million \$)							
Total Retail Sales *..... October	1074467	1171915	108606	107871	107717	1265103	10.7
Nondurable Goods Stores Sales *.....	753568	793398	89825	71205	70087	838748	6.2
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	138.6	147.6	166.1	165.2	165.2	163.1	11.8
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100).....	289.3	303.1	310.9	309.5	309.4	310.4	2.6
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100).....	289.1	298.4	313.0	314.5	313.3	310.3	4.3
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$).....	344.8	387.9	435.1	443.5	450.1	450.1	22.4
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions \$)							
G.N.P. or Expenditure - Current \$.....	3068.2	3304.8	3553.3	3644.7	3701.2	3633.1	11.4
G.N.P. or Expenditure - 1972 \$.....	1480.0	1534.7	1810.9	1838.8	1848.6	1833.1	7.3

lb/capita
Pap&Pabd Othr Totl Popul(mil)

.a = 543 + 15 = 558 232.0

.b = 588 + 18 = 607 234.2

.c = 628 + 18 = 647 235.2

.E = Last month estimated by API

.e = estimated by API

a - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

J - Census unpublished data; standard dev. = 8-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

v - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 12

DECEMBER 1984

PAPER AND PAPERBOARD PRODUCTION

The rate of paper and paperboard production in October and November 1984 eased a bit from the strong pace of the first half of the year. The trend rate for those months (the average of the October and November seasonally adjusted annual rates) was 67.9 million tons per year, compared with a high of 70.0 million tons per year experienced in the earlier months of the year.

Data for the early weeks of December indicate that production is holding close to the November level. Should production continue at this level until the usual shutdown period of the last week of the month, the 1984 total would be between 68.5 and 68.8 million tons.

Among the paper grades, printing and writing papers show some weakness. Early data indicate that new orders for printing papers continued below the rate of shipments in November, indicating further easing in the unfilled order backlogs; the seasonally adjusted rate of production of printing, packaging and tissue papers showed a small decline. Newsprint production in November (seasonally adjusted) was close to its October rate. The 1983-1984 data on kraft paper production have been revised downward by about 4% as a result of re-analysis of API's share total production. This reduces the 1983 and 1984 estimates of total paper production by 0.4% and of total paper and paperboard output by 0.2%.

Continued on Page 2

The quarterly patterns in paper production reflect the changes in Real Gross National Product. After a very strong first half, the growth in real GNP slowed to a rate of less than 2% per year, suggesting a slower growth in the use of paper for advertising and other communication.

Paperboard demand is directly affected by the production of goods as measured in the Industrial Production Index. The rate of growth in industrial production flattened to near-zero in the closing months of 1984, compared to an 11% per year growth rate in the first half of the year. Nevertheless, the level of both industrial production and real GNP remains high, and the 1984 total for paper and paperboard production are both pointing to record highs of their own.

The rates of production of all the major paperboard grades -- unbleached kraft, semichemical, bleached kraft and recycled paperboard also eased somewhat in October and November from their third quarter rates. Nevertheless, the 1984 total of all paperboard grades will probably show a gain of at least 6.5% above its 1983 level. Production of recycled paperboard, while down from its highs of the earlier months of this year, appears to be moving to a level in excess of 7.9 million tons for the year. This total would surpass the record-high rates reached in the early 1970's.

The modest decline in the trend in production of containerboard grades, largely made up of kraft linerboard and semichemical paperboard, is consistent with the current trend in shipments of corrugated shipping containers. The Fibre Box Association reports that the seasonally adjusted rate of shipments of these containers in October and November 1984 averaged 261 billion square feet per year, compared to an average rate of 269 billion square feet per year in the first nine months of 1984. The November 1984 rate of shipments just about matched its relatively high rate of November 1983. If the December 1984 output matches its year-ago level, total 1984 shipments would be a record-high 271 billion square feet, 7.3% above the previous high established in 1983.

Continued on Page 10

PAPER AND PAPERBOARD STATISTICS
 PRODUCTION, SHIPMENTS AND ORDERS
 (Thousands of Tons)

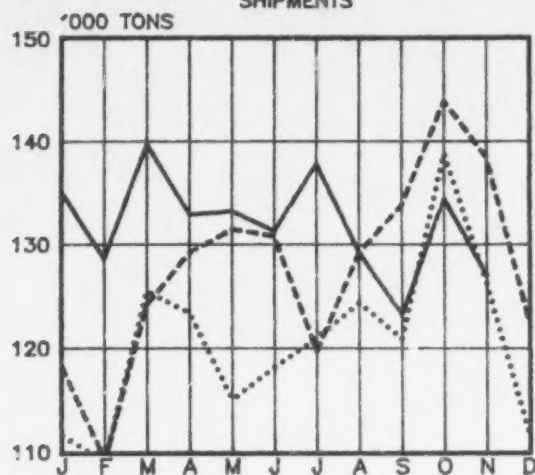
	YEAR		AUG. 1984	SEPT 1984	OCT. 1984	NOV. 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
	1982	1983						
PAPER					R	P		
Newsprint - Production	5042	5167	470	457	474	460	5579	7.5
- Shipments	4988	5153	459	451	469	466	5621	9.1
Printing & Writing	15611	17387	1561	1465	1624	1495	18504	6.5
Groundwood Paper - Shipments	1471	1531	129	123	134	127	1584	3.1
- New Orders	1481	1581	150	123	138	113	1601	0.7
- Unfilled Orders	92	145	166	168	171	159	159	4.1
Coated Paper - Shipments	4974	5696	538	496	553	518	6232	9.8
- New Orders	4941	5864	545	479	537	514	6192	6.5
- Unfilled Orders	322	513	488	482	455	452	452	-2.3
Unctd Free Sheet - Shipments	7855	8767	771	727	804	729	9205	5.1
- New Orders	7827	9076	724	712	796	712	8870	-2.4
- Unfilled Orders	321	687	401	395	387	371	371	-43.5
Thin Paper - Shipments	329	328	28	27	30	26	341	3.0
Cotton Fiber Paper - Shipments	120	131	13	12	12	10	141	7.6
Bleached Bristols - Production	862	934	82	81	91	86	1000	7.3
Tissue Paper - Production	4438	4789	411	409	425	400	4873	1.5
Total Packagins & Other Paper	5300	5491	466	451	468	428	5639	2.4
Unbl. Kraft Paper - Shipments	3688	3665	304	302	313	289	3721	1.1
Other Paper - Production	1612	1925	162	149	155	139	1918	4.9
TOTAL PAPER-Production-Unadj. *	30390	32833	2907	2782	2991	2783	34595	5.3
-Production-S.A. *			2796	2901	2882	2803	34345	4.9
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22589	24779	2323	2222	2234	2134	26704	7.0
Unbl. Kraft Linerboard (1)	13494	15001	1421	1375	1349	1307	16230	7.2
Production for Export	1931	2281	214	174	131	112	2018	-12.1
Other Unbl. Kraft Paperboard	1040	1121	101	83	99	84	1170	3.0
Semichemical Paperboard	4389	4730	451	435	439	411	5204	9.8
Production for Export	185	193	17	14	10	15	152	-22.6
Solid Bleached Paperboard	3665	3926	351	330	346	331	4100	3.9
Production for Export	525	514	37	39	39	37	472	-10.3
Recycled Paperboard	6476	7398	645	661	743	639	8075	8.3
Production for Export	13	24	2	2	2	2	18	-29.0
TOTAL PAPERBOARD-Prod.-Unadj. *	29065	32177	2967	2883	2977	2773	34779	7.3
- Containerboard Prod.(Dom. Use)	17508	19173	1797	1766	1798	1738	21163	9.6
- Boxboard Prod.(Dom. Use) (2)	5150	5551	510	515	575	493	6071	8.8
- All Other P'bd Prod.(D.U.) (2)	3753	4397	390	374	422	377	4886	10.5
- Total Paperbd Prod. for Export	2654	3012	270	229	182	165	2660	-12.6
TOTAL PAPERBOARD PROD.- S.A. *			2856	3032	2857	2779	34307	7.0
TOTAL PAPER AND PAPERBOARD								
Production - actual *	59456	65010	5875	5665	5968	5556	69374	6.3
Production - S.A. *			5652	5933	5739	5581	68652	6.0

(1) Includes all exports of Kraft paperboard.
 (2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.
 * NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
 R Revised
 S.A. Seasonally Adjusted

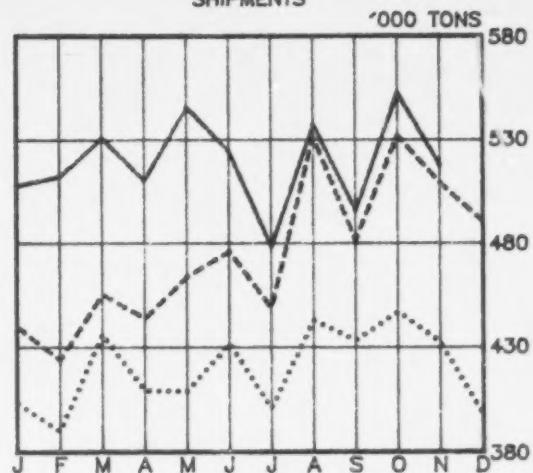
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



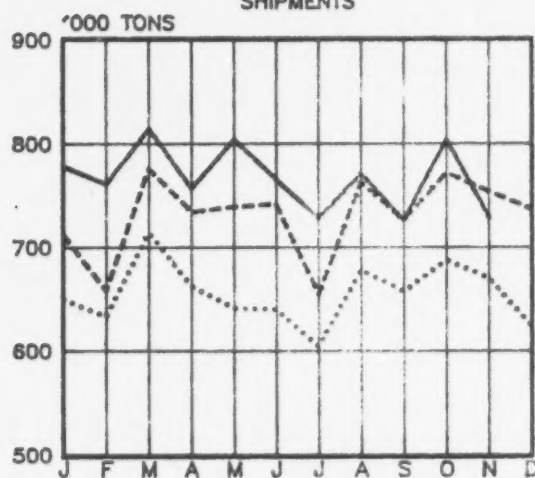
COATED PAPER

SHIPMENTS



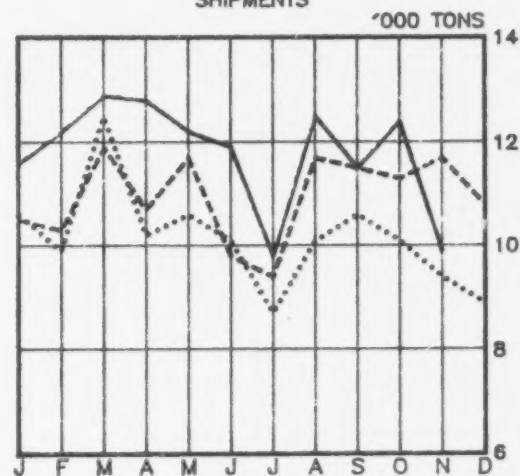
UNCOATED FREE SHEET PAPERS

SHIPMENTS

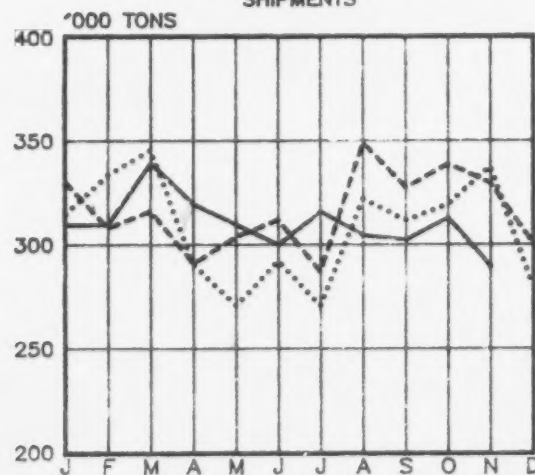


COTTON FIBER PAPER

SHIPMENTS

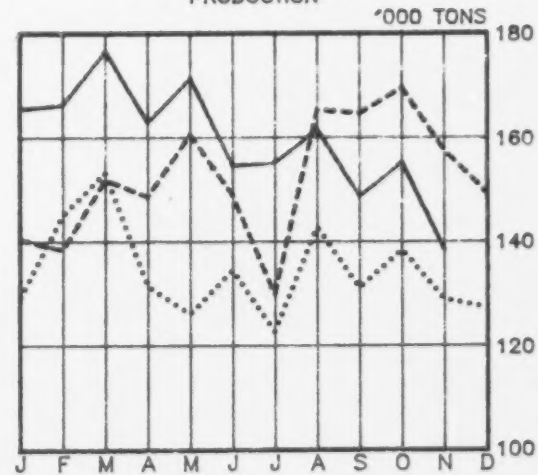
UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1982 1983 ----- 1984 ———

WOOD PULP STATISTICS

(Thousands of Tons)

	1982	1983	JULY 1984	AUG. 1984	SEPT 1984	OCT. 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	48334	52537	4530	4791	4559	4798	56063	6.7
- Imports	3656	4093	357	389	386	344	4391	8.0
- Exports	3395	3644	279	318	285	284	3610	-0.0
- New Supply	48395	52986	4608	4862	4660	4858	56864	7.2
Dissolving Pulp - Production	1092	1261	99	109	73	103	1222	-1.9
- Imports	186	192	15	9	23	9	162	-18.0
- Exports	631	647	41	43	49	48	602	-2.3
- New Supply	647	806	73	74	47	64	782	-5.5
Paper Grades - Production	39478	42358	3645	3891	3703	3875	45173	6.5
Chemical Pulp - Imports	3302	3706	321	355	330	323	3963	7.5
- Exports	2736	2958	229	272	232	232	2953	0.1
- New Supply	40044	43106	3736	3874	3800	3866	46183	7.0
Groundwood and Thermo-Mech. - Production	5064	5067	471	461	458	467	5603	11.0
- Imports	167	195	21	26	33	11	286	48.8
- Exports	27	40	9	3	4	4	55	27.8
- New Supply	5204	5222	483	483	487	474	5815	12.2
Semi-Chemical - Production	3699	3851	316	330	326	353	4085	5.9
- Imports	0	0						
- Exports	0	0						
- New Supply	3699	3851	316	330	326	353	4085	5.9
			316	330	326	353	4085	5.9
MARKET WOOD PULP								
Total Market - Production	5732	6478	572	593	546	635	6865	5.7
Wood Pulp - Imports	2443	2945	281	273	273	250	3194	10.3
- Exports	3143	3421	253	290	311	247	3478	1.4
- New Supply	5031	6002	598	575	507	636	6581	10.4
Dissolving Pulp - Production	1089	1260	98	109	73	103	1221	-2.0
- Imports	194	210	20	9	11	13	185	-10.9
- Exports	675	696	45	50	67	42	685	1.6
- New Supply	608	772	74	67	17	74	722	-7.5
Paper Grades - Production	4643	5206	472	483	472	531	5630	7.5
Chemical Pulp - Imports	2202	2698	254	260	241	228	2818	10.1
- Exports	2468	2723	208	246	245	205	2794	1.4
- New Supply	4377	5181	518	503	468	554	5756	12.1
Groundwood Pulp - Production	1	12	1	1	1	1	14	16.5
and All Other - Imports	46	38	7	4	4	8	79	117.5
- Exports	1	0	0	0	0	0	0	0.0
- New Supply	47	49	7	5	5	10	92	93.4

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS

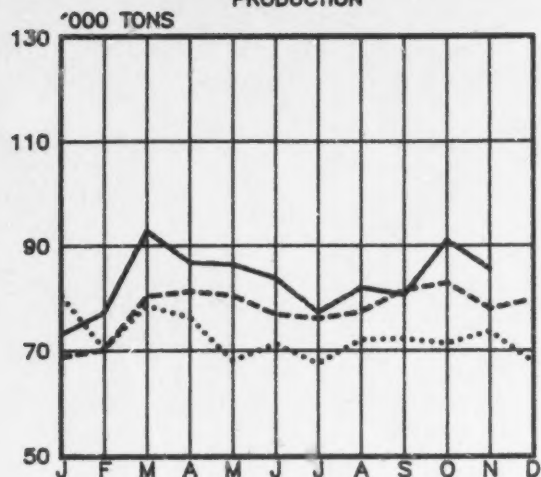
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	61332	65517	5646	6064	5771	6006	70584	7.9
Total Wood Pulp	47767	50978	4437	4694	4485	4617	54638	7.3
Waste Paper	13565	14539	1209	1370	1286	1389	15947	9.8
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	153	159	163	161	161	-12.1
Market Pulp at Pulp Mills	437	384	379	409	415	500	500	10.8
Mkt Pulp at Ppr. & Bd. Mills +	429	504	542	506	508	499	499	5.9
Waste Paper at Paper & Bd. Mills	1022	920	934	955	931	976	976	13.0
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	30	29	30	34	34	13.3

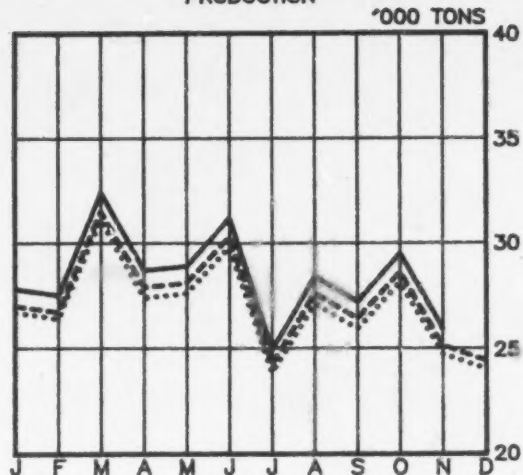
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

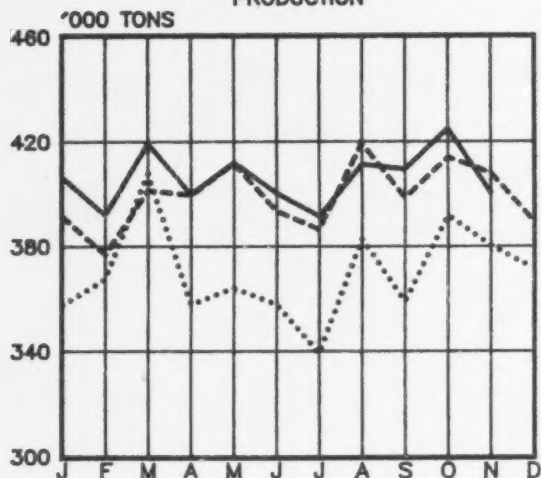
BLEACHED BRISTOLS PRODUCTION



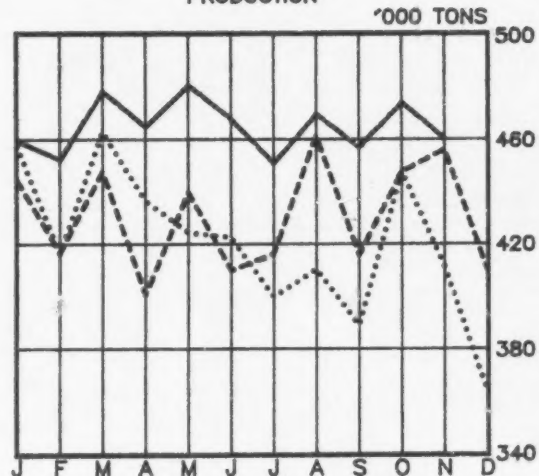
THIN PAPER PRODUCTION



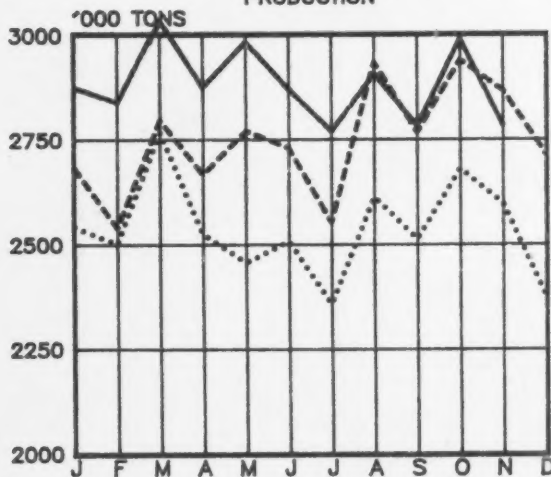
TISSUE PAPER PRODUCTION



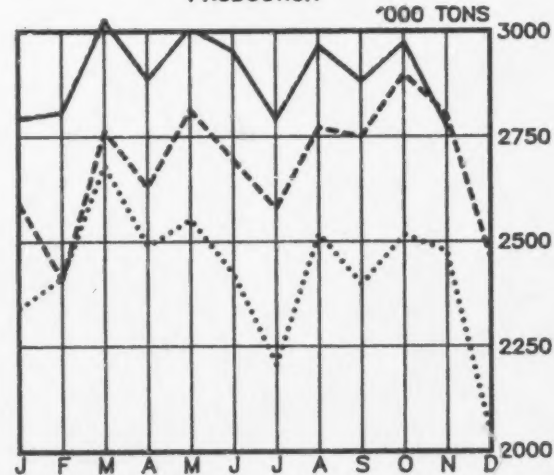
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ———

FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

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PULPWOOD									
		YEAR		JULY	AUG.	SEPT	OCT.	Annual	% Change
		1982	1983	1984	1984	1984	1984	Rate Y-T-D 1984	From same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78519	84475	7197	7642	7398	7971	89104	5.2
	- Total Consumpt.	79039	85442	7192	7368	7246	7625	88342	3.1
	- Residues *	31152	32755	2547	2690	2526	2844	32489	-1.4
	- Inventories	5426	5229	4621	4825	5023	5475	5475	0.8
So. Atlantic	- Total Receipts	23769	25736	2301	2338	2464	2702	27601	6.8
	- Total Consumpt	23725	25847	2301	2319	2464	2569	27407	5.4
	- Residues *	8273	7904	660	684	680	770	8254	3.8
	- Inventories	1165	1163	1038	1045	1163	1366	1366	15.8
Northeast	- Total Receipts	7283	7051	577	615	623	698	7450	7.3
	- Total Consumpt	7221	7274	542	574	595	670	7561	4.8
	- Residues *	1452	1199	115	146	133	136	1474	25.9
	- Inventories	652	577	422	481	491	531	531	-1.1
South Central	- Total Receipts	26510	29409	2555	2789	2529	2627	31069	5.0
	- Total Consumpt	27153	29152	2618	2708	2483	2511	30635	4.7
	- Residues *	8616	9218	757	822	705	821	9126	-2.4
	- Inventories	1346	1536	1191	1215	1186	1354	1354	-16.8
North Central	- Total Receipts	5601	6265	576	632	526	572	6988	11.0
	- Total Consumpt	5708	6343	523	558	511	543	6677	5.0
	- Residues *	1517	1822	121	138	116	118	1518	-17.4
	- Inventories	925	851	817	855	866	893	893	1.5
West	- Total Receipts	15356	16014	1188	1270	1256	1372	15995	-0.6
	- Total Consumpt	15234	16826	1208	1209	1193	1332	16062	-4.8
	- Residues *	11294	12612	894	900	892	898	12118	-4.1
	- Inventories	1338	1102	1152	1229	1317	1341	1341	10.4

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

	YEAR 1983		SEPT 1984		OCT. 1984		Annual	% Change
	Tons	\$000	Tons	\$000	Tons	\$000	Rate Y-T-D 1984	From same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	18136	818	23195	1195	198015	76.4
Pulpwood Chips	1987168	48979	158729	3470	119384	2654	2164482	7.8
Wood Pulp, Total	3755201	1363975	332935	142190	327084	141843	4020732	8.7
Waste Fibrous Materials, Total	157732	26491	12681	2027	13638	2181	158168	0.8
Paper, Board & Products, Total	8274914	3372726	808620	353334	800038	356137	9404677	14.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	802578	343207	782768	343055	9335823	14.5
Paper, Paperboard & Products	7846516	3277974	762046	342548	749084	345004	8932289	15.2
Paper & Paperboard, Only	7792924	3179310	756003	332419	741816	331822	8863415	15.1
Paper, Total	7633585	3139193	739155	327375	725458	326888	8645314	14.6
Newsprint	6845135	2732234	646871	276142	633524	276481	7688890	13.6
Printing, Writing & Rel. Pap.	695907	348512	80734	43666	78788	42353	831503	21.8
Pack. & Ind. Conv. Paper	79209	46889	8865	5458	8901	5028	101182	26.8
Special Industrial Paper	2732	4473	346	554	235	406	3342	17.0
Tissue Paper	10602	7085	2340	1554	4009	2620	20396	93.9
Paperboard, Total	159339	40117	16848	5045	16358	5034	218101	40.5
Convtd Paper & Paperbd Products	53592	98664	6043	10126	7269	13082	68854	31.5
Wet Machine Board	3036	1916	102	66	183	125	2151	-31.2
Construction Paper & Board	425382	92836	46472	10722	50771	11008	470257	4.6

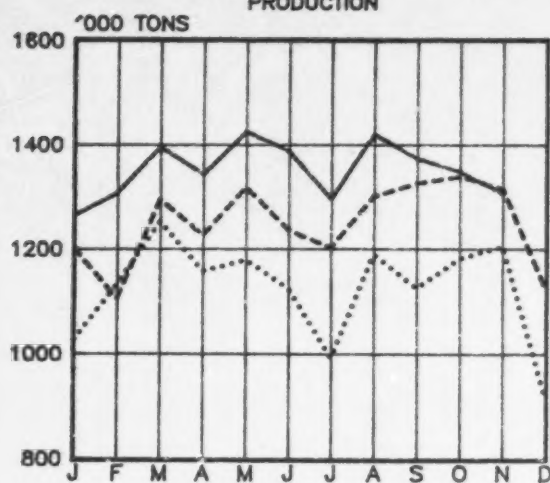
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	6757	174	11424	612	84971	22.0
Pulpwood Chips	38246	2026	1568	72	2668	118	30881	-25.4
Wood Pulp, Total	133633	55369	11884	5497	26856	11727	181385	31.3
Cotton Pulp & Other Pulp	9587	5287	874	620	370	211	10362	6.0
Waste Paper	346809	39478	28203	3169	25138	3088	335287	-2.3
Paper, Board & Products, Total	659229	471256	47646	38328	68737	48296	763483	15.2
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	36774	26461	54338	33403	566641	24.1
Paper, Paperboard & Products	628109	459325	45783	37496	66148	47127	732488	18.0
Paper & Paperboard, Only	416998	294756	34810	25629	51749	32234	535646	26.0
Paper, Total	230771	210626	17183	17658	24204	22267	297125	28.5
Newsprint	4312	3805	303	256	280	244	4792	12.1
Printing, Writing & Rel. Pap.	125110	101541	8762	8890	13991	12789	139730	11.4
Pack. & Ind. Conv. Paper	34403	20821	2876	1987	3548	2186	45216	39.1
Special Industrial Paper	63390	81389	3979	6159	5664	6584	103840	59.5
Tissue	3556	2869	263	365	720	465	3546	-10.1
Paperboard, Total	186226	84131	17728	7872	27545	9967	238521	23.1
Convtd Paper & Paperbd Products	211112	164568	10872	11867	14399	14893	196842	-4.5
Wet Machine Board	5288	2976	309	224	475	298	5261	-1.2
Construction Paper & Bd. E	25831	8955	1554	608	2114	871	25733	-2.3

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

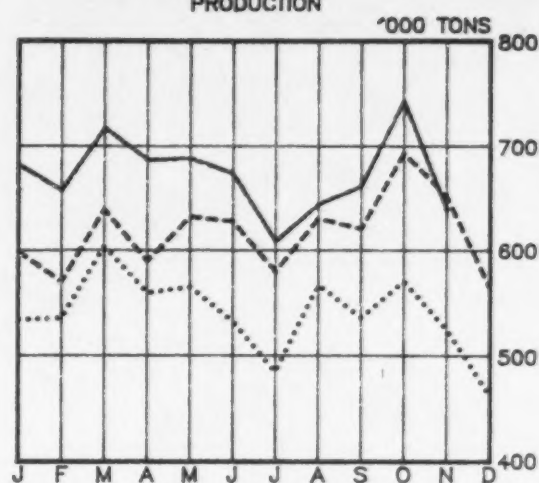
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



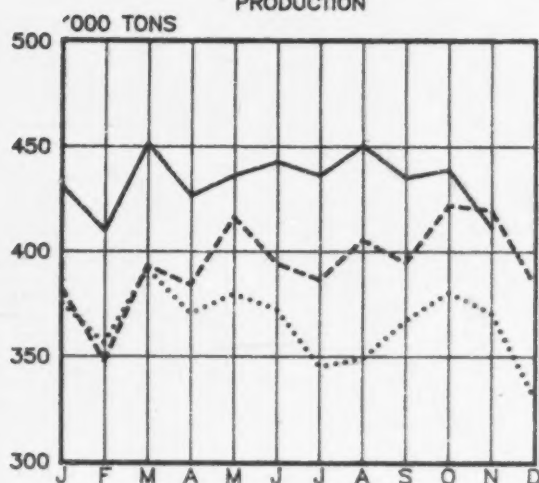
RECYCLED PAPERBOARD

PRODUCTION



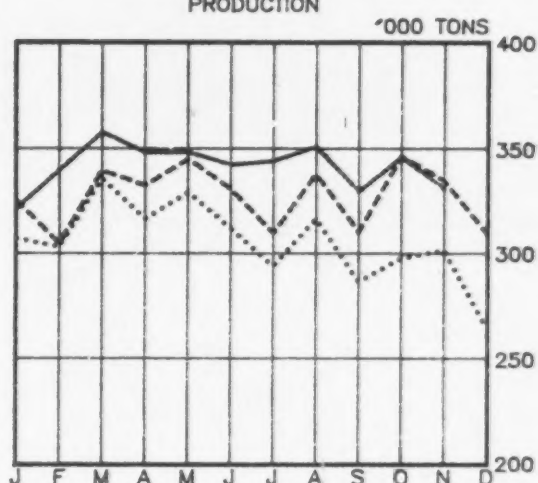
SEMICHEMICAL PAPERBOARD

PRODUCTION



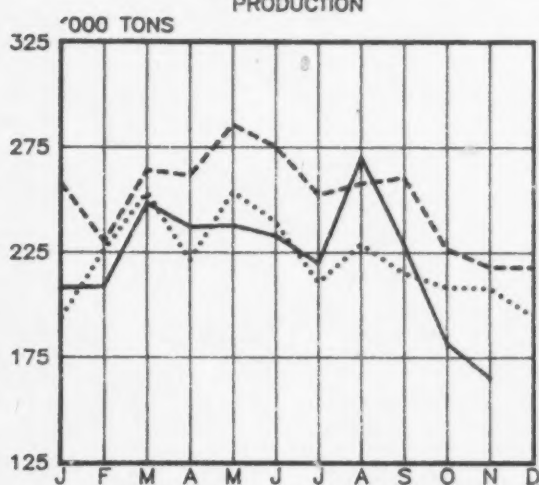
SOLID BLEACHED PAPERBOARD

PRODUCTION



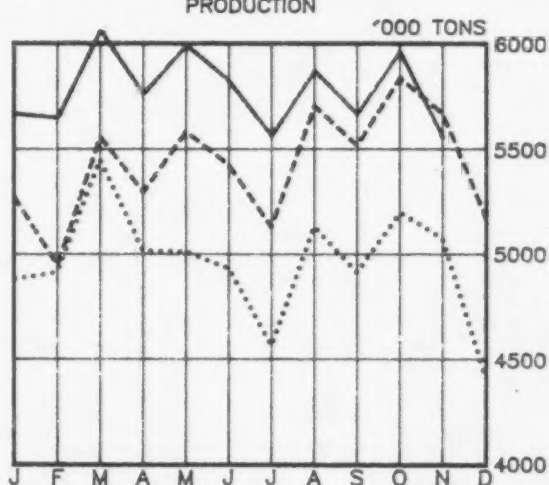
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1982 1983 ----- 1984 ———

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 8

IMPORTS

	I M P O R T S						(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	YEAR 1983		SEPT 1984		OCT. 1984			
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood Roundwood (cords)	155124	7471	18151	819	23195	1195	196093	76.4
Pulwood Chips	1991453	49104	158731	3471	119458	2656	2165297	7.6
Total All Imports	13248280	5526141	1370638	645280	1279083	606688	15712001	20.3
Wood Pulp Total	4093436	1472478	386007	163146	343694	149135	4390997	8.0
Waste Paper	100410	10537	8848	1129	9656	1042	111228	10.2
Other Fibrous Materials	86003	24272	4364	1881	5726	1816	69824	5.0
Paper Board & Products Total	8886431	4018855	970319	479124	920006	454695	11139953	26.2
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	949382	427813	900840	407733	10920916	25.8
Paper Pbd & Prds ex Cnst&HMB	8508180	3911591	919814	467050	864302	442317	10619905	27.6
Paper & Paperboard Only	8357309	3475028	898877	415740	845136	395355	10400868	27.2
Paper Total	8189491	3428888	880845	409932	827072	389222	10153599	26.7
Newsprint	6819348	2757524	666312	283088	648505	281539	7910889	15.8
Printing & Writing	1151011	587426	189173	115617	162721	96826	2066112	83.8
Uncoated Groundwood	732237	331017	111872	58112	81415	43279	1090889	58.0
Uncoated Book	154147	88632	19631	11679	30909	17490	263984	86.1
Coated Print.& Impres. Pap	162441	101289	45994	32177	37813	27195	418112	184.2
Bristols	471	557	63	87	43	45	661	57.6
Writing and Similar Paper	81458	46718	16715	9601	10569	6825	241528	264.4
Thin (except Cigarette)	20258	19213	5097	3951	1872	1993	51139	225.4
Total Pks & Other Paper	107515	75694	11676	8600	11024	7639	148587	41.1
Unbleached Kraft Paper	42013	17454	3617	1645	2651	1187	44757	7.1
Other Pks. & Indust. Paper	85503	58240	8059	6955	8373	6452	103831	63.4
Tissue	11617	8225	3783	2627	4822	3218	28000	144.7
Paperboard, Total	167818	46160	17932	5808	18064	6133	247269	50.6
Test or Containerboard	48119	13042	4195	1498	5599	1908	70681	47.2
Semi-Chemical Corrugations	69564	14509	8798	2278	6594	1696	104724	59.0
Other Paperboard	50138	18809	4938	2031	5871	2532	71854	42.9
Convtd Paper&Paperbd Products	151872	436563	20937	51311	19166	46962	218037	49.5
Paper Products, Total	124816	373966	17284	43783	16043	41687	184087	54.5
Paperboard Products, Total	27055	62597	3653	7528	3123	5276	34848	27.8
Wet machine Board	3584	2422	143	109	203	139	2902	-18.1
Construction Paper & Board	473667	104842	50357	11965	55501	12238	517146	3.6
Notes								
Other: No Weight Avail. (\$000)		148251		18869		17275	198775	35.2
Total Imports Incl. Other(\$000)		5674392		664149		623964	7364325	32.4

EXPORTS

	YEAR 1983		SEPT 1984		OCT. 1984		(1) Annual Rate Y-T-D 1984	% Change From same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulwood, Roundwood (cords)	69497	4405	6757	174	11424	612	85360	21.4
Pulwood Chips	2554178	171269	218751	16383	137426	10588	2324542	-10.1
Total All Exports	10888949	4221511	988811	383171	943242	377718	11471807	6.6
Wood Pulp, Total	3643963	1362022	284528	124673	283878	123035	3609846	-0.0
Cotton Pulp and Other Pulp	102863	89805	6118	4240	4840	4274	84961	-16.4
Waste and Old Paper	2573716	308915	299183	37766	295060	35659	3248064	30.5
Paper, Board & Products, Total	4568407	2480769	396984	226492	359463	214751	4530936	-0.7
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3984277	1717768	357236	166631	311713	150122	3946850	-1.0
Paper, Pbd & Prod ex Cnst&HMB	4501039	2448778	393600	223304	353454	211234	4450652	-1.1
Paper & Paperboard, Only	3816910	1685778	351851	163443	305705	146604	3868565	-1.4
Paper, Total	773414	599370	65918	51512	63393	53767	811275	3.1
Newsprint	294870	127119	29313	13231	24442	11029	306838	2.7
Printing & Writing	201798	198304	14234	15459	19789	22249	205415	1.7
Uncoated Groundwood	37289	33300	3007	2631	3298	3114	30327	-18.9
Clay Coated Paper	78182	60033	5264	4539	7720	6685	87694	12.7
Uncoated Free Sheet	59125	71662	4312	6108	6459	8805	84969	8.6
Other Printing & Writing	26202	33310	1650	2181	2312	3645	22424	-16.5
Total Pks. & Other Paper	260865	255086	21109	21018	17701	19029	281567	4.5
Unbleached Kraft	116170	43227	10837	4176	6208	2839	109197	-8.5
Other Pks. & Indust. Paper	144695	211859	10272	16841	11492	18189	172369	14.9
Tissue	15881	18881	1264	1805	1460	1460	17455	8.2
Paperboard, Total	3143496	1086408	285932	111931	242313	92837	3055291	-2.5
Solid Wood Pulp	2893868	1018184	271105	104941	221515	85543	2892021	-2.8
Total Linerboard	2254538	575862	211747	68721	173165	56529	2163668	-4.0
Bleached Kraft Linerboard	160253	64914	11841	5567	15747	6479	135427	-7.1
Unbleached Kraft Linerbd	2094285	510948	199906	63154	157418	50050	2028241	-3.7
Other Unbleached Kraft	107141	51822	12218	5352	5007	2772	120346	17.7
Other Bleached Kraft	558431	371357	43809	29712	40488	25348	569465	3.8
Semi-Chemical Corrugations	73758	17144	3331	1157	2854	894	38521	-48.1
Recycled Paperboard	149628	70224	14827	6990	20797	7294	163270	4.2
Convtd Paper&Paperbd Products	584129	763001	41748	59861	47748	64630	584086	1.1
Paper Products, Total	311722	535596	20299	38599	21672	41922	297813	-4.1
Paperboard Products, Total	272408	227406	21449	20262	26077	22707	286273	7.1
Wet Machine Board	11622	5420	878	446	1072	546	13701	19.0
Construction Paper & Board E	55746	26570	4507	2742	4937	2972	66583	22.8
Notes								
Other: No Weight Avail. (\$000)		7965		675		679	8922	12.4
Total Exports Incl. Other(\$000)		4229475		393846		378397	4590515	9.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1987 = 100

	1982	1983	AUG.	SEPT	OCT.	NOV.	Annual Rate Y-T-D 83	% Change From same Period Last Year
Pulp, Paper and Products except Building Grades	273.2	271.4	296.3	297.2	298.3	299.4	292.4	8.0
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper #	275.9	273.3	297.0	298.0	299.4	304.5	293.7	7.6
Total Wood Pulp	379.1	347.1	410.0	408.5	398.5	398.4	395.2	14.0
Total Paper	286.3	282.3	306.8	306.7	308.0	308.2	302.6	7.5
Total Paper, exc. Newsprint	278.3	277.0	304.5	303.6	303.1	303.6	301.1	9.0
Newsprint	315.6	303.0	330.7	331.2	338.2	336.9	323.0	6.8
Total Paperboard	254.9	250.8	285.4	288.2	281.8	293.4	279.5	11.8
Total Paper and Paperboard #	276.5	272.4	300.2	300.9	302.9	303.6	295.5	8.8
Converted Products	284.4	285.4	282.4	283.8	285.8	288.1	280.0	5.6
Waste Paper	121.1	158.6	254.5	249.6	235.6	221.4	243.2	58.2
All Commodities	299.3	303.1	310.9	309.5	309.4	310.4	310.4	2.5
Industrial Commodities	312.3	315.7	323.5	322.3	323.2	323.8	322.5	2.2

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

Continued from Page 2

IMPORTS, EXPORTS AND NEW SUPPLY

Although imports of wood pulp, paper and paperboard in October 1984 eased slightly from the record-breaking high of the preceding four months, their levels continued to exceed year-ago rates. Exports declined in October, remaining well below year-earlier levels. This pattern of a high rate of imports relative to that of exports continues the trend evident throughout 1984. Both are a reflection of the strong U.S. dollar, which impairs the competitive position of exports and strengthens that of imports.

In the first ten months of 1984 the total value of imports was at the average rate of \$7.4 billion per year -- 32% above its year-ago level -- while exports ran at \$4.6 billion per year -- 9.5% above its year-ago level.

Continued on Page 11

These trends also indicate that the rate of new supply (production plus imports less exports, a proxy for the rate of consumption) of paper and paperboard has been somewhat above that of domestic production. The upper panel of the enclosed yellow industry data sheet shows that new supply of paper and paperboard in the first 11 months of 1984 was about 10% above its year-ago level, compared with a 7% increase in domestic production. The 10% increase in the new supply of paper and paperboard compares to the 6.8% increase in the real gross national product shown for all of 1984. The ratio of new supply to real GNP -- 45,500 tons of new supply per billion dollars of real GNP -- if it holds for the full year -- would exceed the ratio reached in 1976. That year had marked the recovery from the 1975 recession, and its performance had not been matched in the entire 1977-1983 period.

WAGE RATES AND PRODUCTIVITY

The Employee Relations Department of the American Paper Institute reports that negotiated first year increases at wood pulp, paper and paperboard mills continued their downward trend in 1984. The nationwide figure, based on data from 119 mills, showed a 3.7% gain in the first year; the 1983 increase was 5.6%. A major factor has been the negotiation pattern at many of the West Coast mills, where a 0% first year wage package with a \$1,000 lump sum payment was negotiated.

The matter of health care costs containment continues to be a major area of attention for many companies in the industry. Comprehensive plans, premium sharing and increased deductibles are among the measures which have been installed at some mills.

Continued on Page 12

Other changes include the fact that some recent labor agreements have provided for the lifting of operating restrictions on many holidays. This gives greater flexibility to production planning.

The Bureau of Labor Statistics recently published new estimates of output per production worker manhour and output per employee manhour of all wood pulp, paper and paperboard mills for 1983, together with revised estimates for some of the earlier years. The report shows output per production worker manhour in 1983 at an index level of 118 (1977=100), 8.9% above the 1982 level. The American Paper Institute's estimate of this figure for the first 10 months of 1984, (based upon its own production data and estimates of manhours worked at wood pulp, paper and paperboard mills as published by the Bureau of Labor Statistics) indicates that output per production worker man-hour in the first 10 months of 1984 rose an additional 3%. The 1982-1983 increase was typical of the early stages of a strong recovery, while the smaller gain reflected the usual performance for a maturing recovery.

The Bureau of Labor Statistics also publishes estimates of output per employee hour for these industries. Their 1983 figure was 115.8 (1977=100), also 8.9% above the 1982 level. A similar gain of 3% for 1984 in this measure of productivity is likely.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

DEC. 31, 1984

	PRODUCTION (000 TONS)					% Change 84/83
	Nov. 84	Oct. 84	Nov. 83	Jan - 84 -	Nov. 83	
PAPER GRADES	P	R				
Newsprint	460	474	456	5114	4757	7.5
Printings & Writings	1495	1624	1516	16962	15922	6.5
Uncoated Groundwood (s)	127	134	138	1452	1408	3.1
Coated Paper (s)	518	553	509	5713	5205	9.8
Uncoated Free Sheet Paper (s)	729	804	754	8438	8030	5.1
Thin Paper (s)	26	30	25	312	303	3.0
Cotton Fiber Paper (s)	10	12	12	130	121	7.6
Bleached Bristols (s)	86	91	78	917	854	7.3
Tissue Paper	400	425	409	4467	4399	1.5
Total Pks & Other Paper	428	468	477	5169	5049	2.4
Unbleached Kraft Packasins & Indl. Convertins (s)	289	313	320	3411	3373	1.1
Other Paper	139	155	157	1758	1676	4.9
TOTAL PAPER	2783	2991	2858	31712	30127	5.3
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1392	1449	1397	15950	14916	6.9
Unbleached Kraft Linerboard	1307	1349	1316	14878	13875	7.2
Other Unbl. Kraft Paperboard	84	99	80	1073	1041	3.0
Semichemical Paperboard	411	439	419	4770	4346	9.8
Bleached Paperboard	331	346	335	3759	3616	3.9
Recycled Paperboard	639	743	652	7402	6833	8.3
TOTAL PAPERBOARD	2773	2977	2803	31881	29711	7.3
TOTAL PAPER AND PAPERBOARD	5556	5968	5661	63593	59838	6.3
WOOD PULP (ALL GRADES)	Oct. 84	Sept 84	Oct. 83	Jan - 84 -	Oct. 83	% Change 84/83
Dissolving & Special Alpha	103	73	111	1019	1038	-1.9
Bleached Sulfite	105	110	118	1139	1091	4.4
Unbleached Sulfite	20	17	27	223	261	-14.5
Bleached & Semi-Bl. Sulfate	1971	1849	1885	18669	17612	6.0
Unbleached Sulfate	1779	1726	1747	17613	16393	7.4
Semichemical	353	326	347	3404	3215	5.9
Groundwood and Thermomechanical	467	458	449	4669	4206	11.0
TOTAL PULP DIVISION DATA	4798	4559	4684	46736	43815	6.7

(s) - Shipments R - Revised
P - Preliminary

December 31, 1984

December 31, 1984	Full Year		INDUSTRY DATA 1984			Ann. Rate Year - To - Date	% From Base Pd. Last Yr.
	1982	1983	R September	R October	P November		
PAPER AND PAPERBOARD -- Tons (000)							
Total Production (API).....I excluding I...	59456	65010	5665	5668	5358	68374	8.3
Total Seasonally Adjusted.....I construction I...			5933	5738	5381	68832	8.0
Imports (including Products) I and wet I...E	7803	8508	820	864	N.A.	10582	25.0
Exports (including Products) I machine I...E	4187	4501	394	354	N.A.	4408	-2.8
Apparent Consumption.....I grades I...	62872 a	68018 b	8458	8248	8101	74828c	+6.7
Paper Production % Tennase Capacity.....	87.8 a	82.0 a RS	88.5	82.5	82.0	82.6ah	-
Paperboard Production % Tennase Capacity.....	82.1 a	80.8 a RS	85.5	85.1	81.6	86.4a	-
IMPORTS.....I including Construction and I.....							
EXPORTS.....I WMB Grades (excl. HPB) I.....	8024	8986	890	870	920	11140	28.2
	4248	4588	357	389	358	4331	-0.7
MARKET WOOD PULP PRODUCTION - Tons (000).....							
TOTAL WOOD PULP PRODUCTION - Tons (000).....(P)....	5732	6478	583	546	635	6885	5.7
WOOD PULP IMPORTS - TONS (000).....	48334	52537	4781	4538	4798	56883	6.7
WOOD PULP EXPORTS - TONS (000).....	3856	4083	388	386	344	4381	8.0
RAW MATERIALS CONSUMPTION - Tons (000)	3385	3844	318	285	284	3810	-0.0
PAPER AND BOARD MILLS I excluding I							
Wood Pulp.....I consumption Per I.....	47767	50878	4694	4485	4817	54838	7.3
Waste Paper.....I construction & I.....	13563	14538	1370	1286	1389	15847	8.8
TOTAL.....I WMB grades I.....	61332	65517	6064	5771	6066	70584	7.8
PULPHOOD CONSUMPTION Cards(000) Amer. Pulpwd. Assn	78038	85442	7368	7246	7825	88342	3.1
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....	882.4	881.6	884.4	886.0	884.4	882.3	3.3
Pulp, Paper and Board Mills.....Total.....E	258.8	258.2	262.7	262.8	262.7	263.7	2.3
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.32	9.84	10.55	10.54	10.70	10.42	5.2
Pulp, Paper Mills.....E	10.87	11.70	12.68	12.68	12.80	12.41	8.4
Paperboard Mills.....E	11.13	12.11	13.21	13.23	13.30	12.85	7.3
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS							
(Rep't. by US Dept. of Com., Ann. Rates, Bill. \$) a	5.87	6.18	7.05	7.72	8.00	7.42v	20.1
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....							
IN PULP, PAPER I...Production Workers.....	108.4	118.0	124.7	123.3	119.2	120.8	+2.5
AND BOARD MILLS I...All Employees.....	106.3	115.8	124.4	122.7	118.5	121.0	+3.2
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce) a.....	78882	85882	7885	7855	8034	85402	13.1
Pulp, Paper and Paperboard.....	33523	38348	3488	3414	3418	41330	15.5
Inventories (End of Period) - Total Industry a.	8607	8728	8425	8588	8638	8838	11.1
Pulp, Paper and Paperboard a.....	3365	3283	3471	3548	3544	3544	8.3
Sales (Corporations Only, FTC).....	80283	85008	17458	18694	18086	72332	12.7
Earnings (Corporations Only, FTC).....	1480	2327	828	842	851	3363	50.8
Depreciation (Corporations Only, FTC).....	2378	2607	883	888	708	2787	6.8
Net Worth (Corporations Only, FTC).....	28705	27218	27617	28130	28806	28808	6.1
PRICE INDEXES (Bureau of Labor Stats) 1987=100							
Pulp, Paper & Products, ex. Building Grades...	273.2	271.4	287.2	288.3	289.4	292.4	8.0
Wood Pulp.....	378.1	347.1	408.5	388.5	388.4	385.2	14.0
Waste Paper.....	121.1	158.6	248.6	235.8	221.4	Not Available	
Paper.....	288.3	282.3	306.7	308.0	308.2	302.8	7.5
Paperboard.....	254.8	250.8	288.2	281.8	283.4	278.5	11.8
PAPER DEMAND (INDEXED: 1987=100)							
Total Paper Production a.....	145.2	158.8	166.2	165.1	160.6	164.0	4.8
Paper New Supply a.....	135.1	147.2	163.8	160.3	156.5	160.1	8.3
Total End - Use Index a.....	148.5	157.8	174.2	174.7	175.2	172.2	8.6
Production of Nondurable Goods a.....(18%)..	158.1	168.0	180.5	181.0	181.4	178.7	7.3
Disposable Income (Constant \$) a.....(23%)..	157.8	163.4	176.3	176.3	176.7	174.2	8.8
Total Printing and Publishing a.....(58%)..	144.0	152.3	171.3	172.0	172.6	168.8	11.5
Trend Factor			Not Available				
PAPERBOARD DEMAND (INDEXED: 1987=100)							
Total Paperboard Production a.....	127.6	141.2	158.4	150.2	146.1	150.3	7.0
Production for Domestic Use.....	122.7	135.5	156.2	149.1	145.7	147.0	8.0
Total End - Use Index a.....	138.5	148.8	162.4	161.8	163.2	161.7	8.1
Production of Consumer Goods a.....(80.48%)	142.7	151.8	161.8	161.7	163.3	161.6	6.8
Production of Equipment a.....(6.82%)	138.8	140.8	168.5	168.4	168.5	162.8	18.4
Production of Materials a.....(32.88%)	133.7	145.2	162.7	161.0	161.8	161.4	11.8
Trend Factor			Not Available				
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000).....	11141	11671	1047	1088	1124	12442	8.8
Newspaper Pub. and Printing Empl. Total(000)...	417.5	421.8	443.8	445.4	447.8	441.1	5.0
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	121817	141128	10434	13681	15370	148138	7.2
WHOLESALE SALES AND INVENTORIES (Million \$)(J)							
Total Paper & Pmp. Prods., ex Wallpaper..Sales	22778	28532	2875	2587	2808	31618	21.8
Inventories (End of Period)	1883	2341	2584	2518	2590	2580	18.2
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet).....	235185	252538	21780	24873	21103	271132	8.8
Container'd Inventory at Mill & Plant(000Tons)	2584	2437	2701	2802	2888	2883	10.4
RETAIL TRADE (Million \$)							
Total Retail Sales a.....	1074467	1171815	107840	108385	110348	1288362	10.5
Nondurable Goods Stores Sales a.....	753568	783388	71194	88888	71235	882088	8.1
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1987 = 100) a.	138.6	147.8	185.0	184.3	185.0	183.2	11.2
PRODUCER PRICES(ALL COMMODITIES)(INDX 1987=100) a.	288.3	303.1	308.5	308.4	310.4	310.4	2.5
CONSUMER PRICES (ALL ITEMS) (INDEX 1987 = 100) a.	288.1	298.4	314.5	315.3	315.3	310.7	4.3
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$).							
	344.8	387.8	443.5	450.1	455.3	455.3	22.5
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions).							
G.N.P. or Expenditure - Current \$.....	3088.2	3304.8	3553.3	3844.7	3885.2	3831.1	11.3
G.N.P. or Expenditure - 1972 \$.....	1480.0	1534.7	1610.8	1638.8	1648.5	1632.1	7.2

1b/capita
 Para&Pmpd Othr Total Popul(mil)
 .a - 543 + 15 = 558 232.0
 .b - 568 + 18 = 586 234.2
 .c - 633 + 18 = 651 238.6

.E - Last month estimated by API
 .a - estimated by API

a - Adjusted for holiday shutdowns
 h - Adjusted to conform with API Division data
 J - Census unpublished data; standard dev. = 8-8%
 N.A. - Not Available
 P - Preliminary
 Q - Quarter

R - Revised
 RS - Revised Series
 v - Full year estim. by
 U.S. Dept. of Com.
 a - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 1

JANUARY 1985

PAPER AND PAPERBOARD PRODUCTION: 1984

The rate of paper and paperboard production in December 1984 maintained the pace of October and November production. The trend rate (average of the November and December seasonally adjusted rates) was 68.2 million tons per year, a shade above the trend rate of the previous month. This brought total 1984 production to a record-high 68.8 million tons, 5.8% above the 1983 high.

The stability in the trend of total production, however, reflected somewhat diverse movements between paper and paperboard production. The rate of paper production eased in December, while paperboard output gained a little. For 1984 as a whole, both paper and paperboard production moved to new highs. Paper, at 34.4 million tons, was 4.8% above its 1983 high, while paperboard, at 34.4 million tons, gained 6.8%.

The stronger gain in paperboard production relative to that of paper was consistent with recent trends. Paperboard demand, which is strongly influenced by industrial production, had fallen sharply in 1982 and moved up strongly in 1983 and 1984. Paper production, somewhat less affected by the 1982 recession, showed more modest gains in 1983 and 1984.

PAPER: The easing in the paper production trend was centered on printing papers. In the uncoated free sheet grades, for example, new orders were below the rate of shipments throughout 1984, and the backlog of unfilled orders moved down to less than one-half of the total outstanding at the end of 1983.

Nonetheless, where total new orders for uncoated free sheet papers in 1984 were 2.6% below the 1983 total, 1984 shipments, at 9.2 million tons, were 4.4% above their 1983 high. The major gains in this grade were in form bond papers (largely computer printout papers) as well as in commercial printing and book publishing papers.

Continued on Page 2

Demand for coated papers remained strong throughout 1984, with total production for the year reaching a record 6.2 million tons. This high output reflected intense demand in all its major markets: magazines, other periodicals, commercial printing and book publishing. The production total was 9.2% above its 1983 high, equivalent to about 97% of the total capacity as reported in the API's recent Survey of Paper and Paperboard Capacity. The uncoated free sheet total was equivalent to 90.7% of reported capacity.

Although the production of total printing and writing papers did show some easing in the closing months of 1984, the total for the year was 18.4 million tons, 5.8% above the 1983 high.

Production of packaging and industrial papers held up well in December. The 1984 production total for the unbleached kraft paper grades was 3.7 million tons, about equal to its year-ago total. Production of the other packaging and industrial grades amounted to 1.9 million tons, 2.9% above its 1983 total.

PAPERBOARD: The gains in paperboard production in December were shared by all the major grades. For example, the trend rate of kraft paperboard production rose strongly above that of the preceding months. Total production of kraft paperboard in 1984 was 17.2 million tons, 6.9% above its 1983 high. The 1984 production total was equivalent to 96.6% of the capacity reported in the API's recent Capacity Survey.

Production of semichemical paperboard production -- the other major grade of containerboard -- amounted to 5.2 million tons, 9.1% over its 1983 high.

Production for export of both kraft and semichemical paperboard declined in 1984. At 2.0 million tons, kraft paperboard production for export was about 13% below its 1983 level. Exports of semichemical paperboard, at 151,000 tons, fell by 21%.

Exports of solid bleached paperboard also declined in 1984; at 470,000 tons the total was 9% below its 1983 level. Even with this decline, the production of solid bleached paperboard moved to a new high of 4.1 million tons in 1984, gaining 3.4% over its 1983 level. This was the first year that production of these grades moved above 4 million tons, but that was still only a little higher than the 1976-1981 rates of production. In those years production fluctuated in a relatively narrow range: the low point was 1977's 3,721,000 tons; the high 1979's 3,998,000 tons. This stability largely reflected the net effect of two divergent trends: production of milk carton stock in a slight downtrend offset by strength in the production of bleached kraft folding boxboard.

In 1984 production of milk carton stock for domestic use showed a 6% gain, reaching its highest level since 1980. Bleached kraft folding boxboard for domestic use also gained about 8%, reaching a new high. The gain in S.B.S. folding boxboard reflected the strong demand for total folding boxboard.

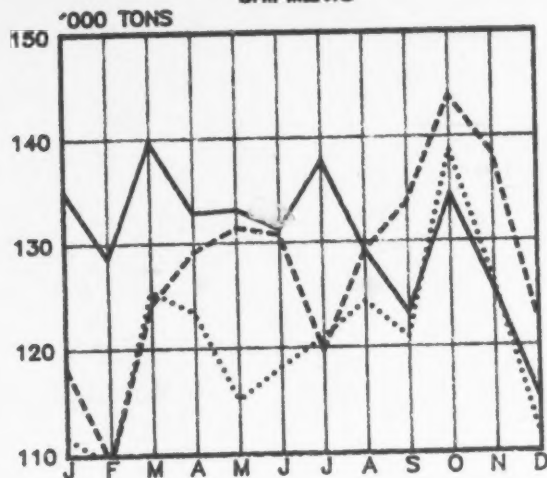
PAPER AND PAPERBOARD STATISTICS
PRODUCTION, SHIPMENTS AND ORDERS
 (Thousands of Tons)

	YEAR		SEPT	OCT.	NOV.	DEC.	Annual Rate Y-T-D	% Change From same Period Last Year
	1982	1983	1984	1984	1984	1984	1984	
PAPER					R	P		
Newsprint - Production	5042	5187	457	474	460	428	5543	7.3
- Shipments	4988	5153	451	489	466	431	5584	8.4
Printing & Writing	15811	17387	1465	1624	1512	1418	18397	5.8
Groundwood Paper - Shipments	1471	1531	123	135	126	115	1566	2.3
- New Orders	1481	1581	123	138	112	124	1581	0.6
- Unfilled Orders	92	145	188	171	158	188	168	16.7
Coated Paper - Shipments	4974	5696	486	553	527	486	6221	8.2
- New Orders	4841	5864	478	537	524	483	6179	5.4
- Unfilled Orders	322	513	482	455	452	450	450	-12.3
Uncoated Free Sheet - Shipments	7855	8787	727	804	747	695	9150	4.4
- New Orders	7827	8078	712	795	730	686	8844	-2.6
- Unfilled Orders	321	687	395	387	370	372	372	-43.7
Thin Paper - Shipments	328	328	27	30	26	25	338	3.0
Cotton Fiber Paper - Shipments	120	131	12	13	11	10	140	6.9
Bleached Bristol - Production	862	934	81	81	78	75	983	5.2
Tissue Paper - Production	4438	4789	413	434	420	420	4821	2.8
Total Packaging & Other Paper	5300	5498	451	468	428	386	5551	1.0
Unbl. Kraft Paper - Shipments	3688	3666	302	313	289	255	3666	0.0
Other Paper - Production	1812	1832	150	154	138	131	1886	2.8
TOTAL PAPER-Production-Unadj. *	30380	32841	2786	2999	2820	2653	34412	4.8
-Production-S.A. *			2905	2889	2840	2837	34387	4.5
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	22589	24778	2222	2234	2128	1928	26401	8.5
Unbl. Kraft Linerboard (1)	13494	15001	1375	1348	1308	1154	18032	6.9
Production for Export	1931	2281	174	131	112	128	1975	-13.4
Other Unbl. Kraft Paperboard	1040	1121	83	88	82	77	1147	2.3
Semichemical Paperboard	4389	4730	435	438	411	392	5182	9.1
Production for Export	185	193	14	10	16	11	151	-21.4
Solid Bleached Paperboard	3665	3826	330	346	326	305	4059	3.4
Production for Export	525	514	38	38	37	37	470	-8.7
Recycled Paperboard	8478	7398	661	743	634	575	7871	7.7
Production for Export	13	24	2	2	2	4	21	-15.4
TOTAL PAPERBOARD-Prod.-Unadj. *	28065	32177	2883	2977	2782	2503	34372	8.8
- Containerboard Prod. (Dom. Use)	17508	18173	1786	1798	1730	1538	20930	9.2
- Boxboard Prod. (Dom. Use) (2)	5150	5551	515	575	491	441	6004	8.2
- All Other P'bd Prod. (D.U.) (2)	3753	4397	374	422	375	345	4821	9.7
- Total Paperboard Prod. for Export	2654	3012	229	182	166	178	2617	-13.1
TOTAL PAPERBOARD PROD.- S.A. *			3032	2857	2787	2827	34384	8.5
TOTAL PAPER AND PAPERBOARD								
Production - actual *	58456	65017	5668	5878	5582	5155	68784	5.8
Production - S.A. *			5837	5746	5607	5764	68731	5.5

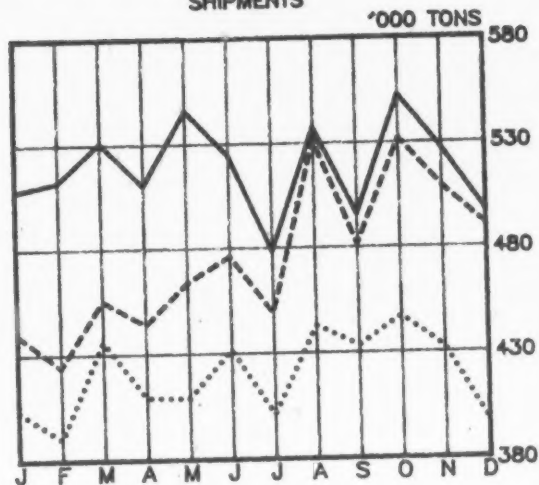
(1) Includes all exports of Kraft paperboard.
 (2) Data for unbl. Kraft folding boxboard incl. in All Other P'bd.
 * NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
 R Revised
 S.A. Seasonally Adjusted

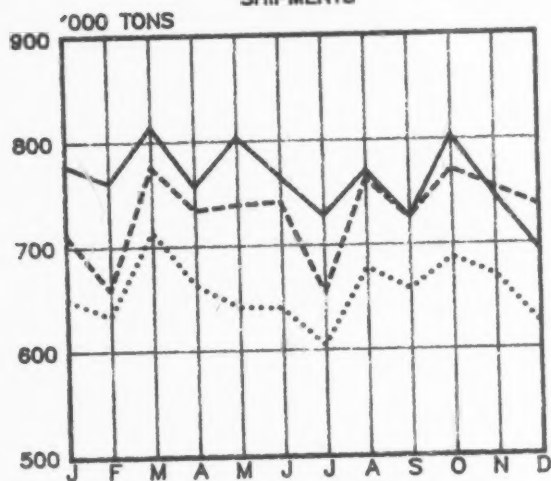
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



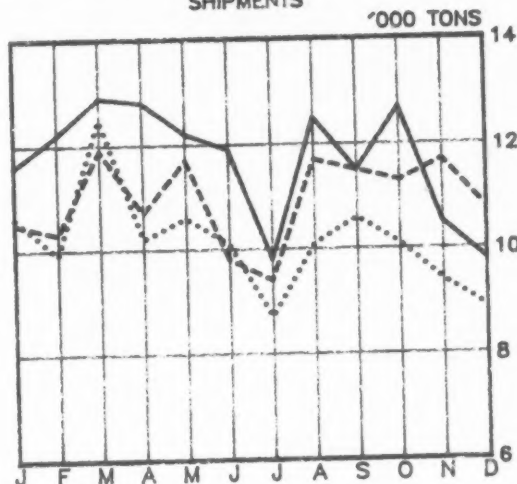
COATED PAPER
SHIPMENTS



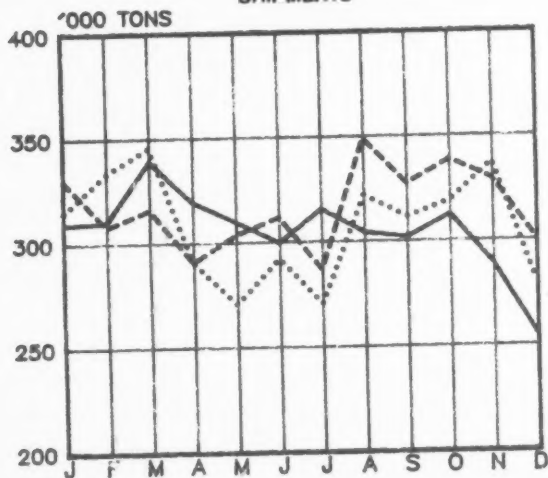
UNCOATED FREE SHEET PAPERS
SHIPMENTS



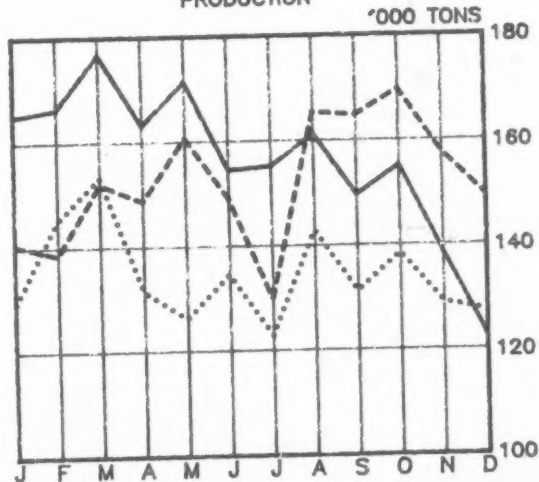
COTTON FIBER PAPER
SHIPMENTS



UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS



OTHER PAPER
PRODUCTION



WOOD PULP STATISTICS (Thousands of Tons)

	YEAR		AUG. 1984	SEPT 1984	OCT. 1984	NOV. 1984	Annual Rate Y-T-D 1984	% Change From same Period Last Year
	1982	1983						
TOTAL WOOD PULP								
Total Wood Pulp - Production	49334	52537	4781	4559	4763	4502	55857	5.8
- Imports	3656	4093	389	386	344	415	4445	8.7
- Exports	3395	3644	318	285	284	274	3581	0.7
- New Supply	49595	52986	4862	4660	4823	4843	56721	6.3
Dissolving Pulp - Production	1092	1261	109	73	103	101	1221	-3.0
- Imports	186	192	9	23	9	8	158	-16.8
- Exports	631	647	43	49	48	28	578	-7.7
- New Supply	647	806	74	47	64	81	799	-2.6
Paper Grades - Production	39478	42358	3891	3703	3846	3846	45013	5.6
Chemical Pulp - Imports	3302	3706	355	330	323	359	3995	7.8
- Exports	2736	2958	272	232	232	241	2948	2.0
- New Supply	40044	43106	3974	3800	3938	3764	46060	6.0
Groundwood and Thermo-Mech. - Production	5084	5067	461	458	460	436	5562	9.7
- Imports	167	195	26	33	11	48	284	53.9
- Exports	27	40	3	4	4	4	54	32.7
- New Supply	5204	5222	483	487	467	480	5802	11.1
Semi-Chemical - Production	3699	3851	330	326	353	318	4080	4.8
- Imports	0	0						
- Exports	0	0						
- New Supply	3699	3851	330	326	353	318	4080	4.8
----- Included with Groundwood Pulp -----								
			330	326	353	318	4080	4.8
MARKET WOOD PULP								
Total Market Wood Pulp - Production	5732	6478	593	546	635	579	6872	5.0
- Imports	2443	2845	273	273	250	283	3213	11.1
- Exports	3143	3421	290	311	247	249	3433	1.3
- New Supply	5031	6002	575	507	639	613	6652	10.0
Dissolving Pulp - Production	1089	1260	108	73	103	101	1220	-3.2
- Imports	194	210	9	28	13	11	200	-1.9
- Exports	675	698	50	67	42	52	679	0.4
- New Supply	608	772	67	34	74	60	741	-3.9
Paper Grades - Production	4643	5208	483	472	531	476	5639	7.0
Chemical Pulp - Imports	2202	2698	260	241	229	248	2825	10.3
- Exports	2488	2723	240	245	205	197	2755	1.6
- New Supply	4377	5181	503	468	555	527	5809	11.5
Groundwood Pulp and All Other - Production	1	12	1	1	1	2	14	19.8
- Imports	46	38	4	4	8	24	89	137.6
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	47	49	5	5	9	26	103	110.3

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

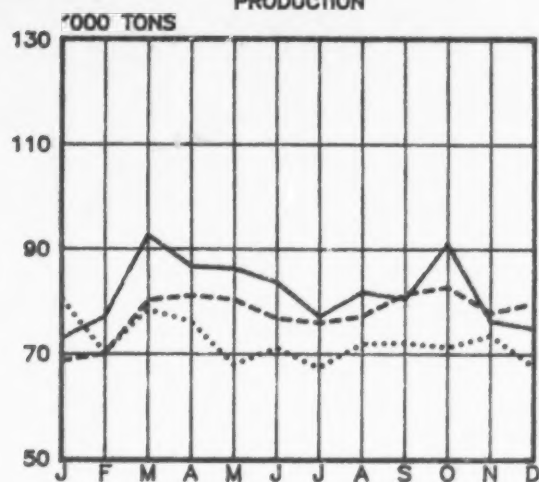
FIBROUS RAW MATERIALS (Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	61332	65517	6041	5743	5971	5716	70309	6.9
Total Wood Pulp	47767	50978	4694	4485	4604	4406	54463	6.5
Waste Paper	13565	14539	1347	1259	1367	1310	15847	8.5
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	159	163	164	159	159	-15.7
Market Pulp at Pulp Mills	437	384	409	415	500	588	588	20.4
Mkt Pulp at Ppr. & Bd. Mills *	429	504	506	508	474	470	470	-1.1
Waste Paper at Paper & Bd. Mills	1022	920	955	931	976	992	992	14.8
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	29	30	34	42	42	23.5

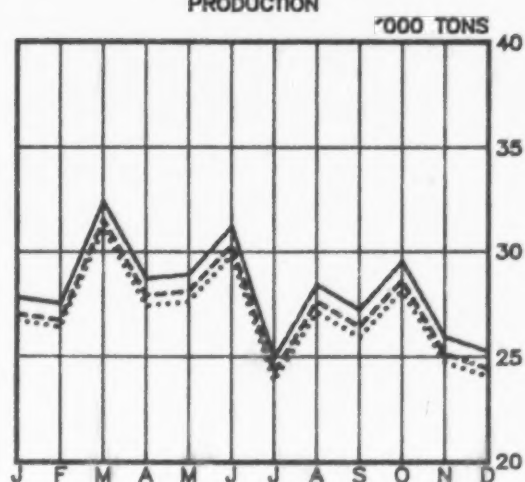
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982: P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

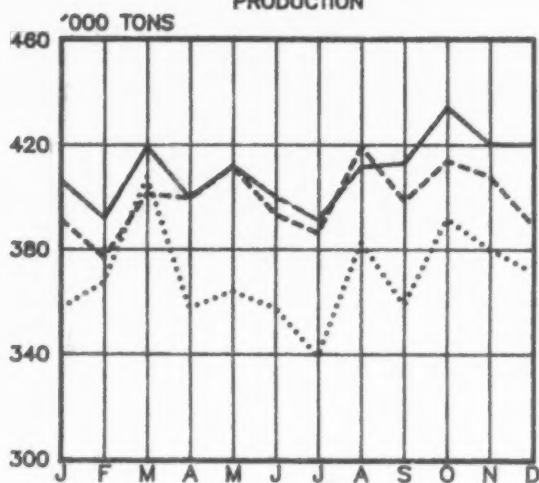
BLEACHED BRISTOLS
PRODUCTION



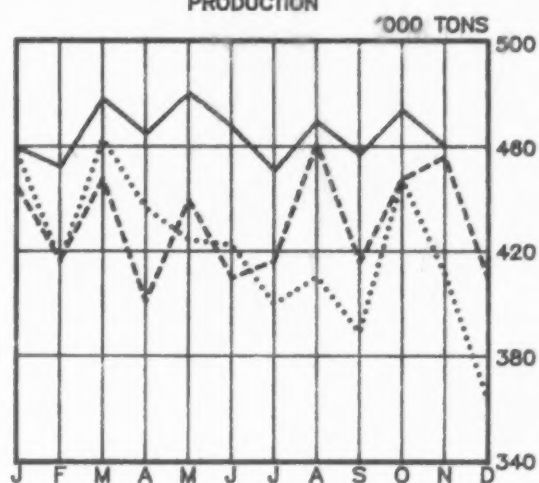
THIN PAPER
PRODUCTION



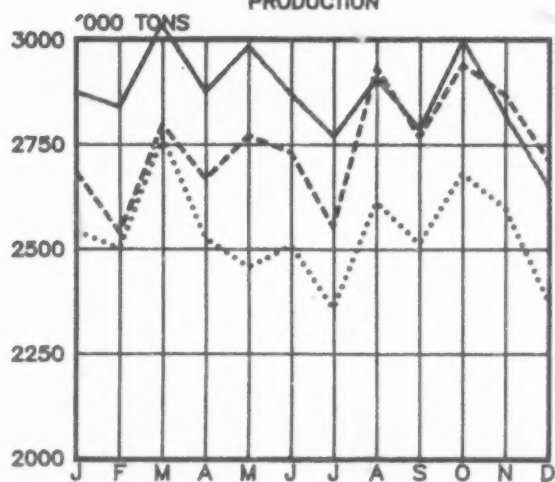
TISSUE PAPER
PRODUCTION



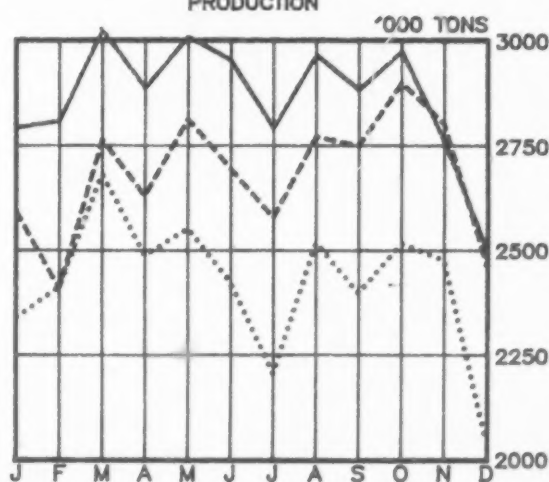
NEWSPRINT
PRODUCTION



TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



FIBROUS RAW MATERIALS (Continued)
(Thousands of Standard (128 cubic foot) Cords)

Page 7

THOUSANDS OF STANDARD 112 CUBIC FEET CORDS								Annual	% Change
		YEAR		JULY	AUG.	SEPT.	OCT.	Rate	From same
		1982	1983	1984	1984	1984	1984	Y-T-D	Period
								1984	Last Year
PULPMOOD									
Total U.S.	- Total Receipts	78519	84475	7197	7642	7398	7871	88104	5.2
	- Total Consumpt.	79039	85442	7192	7368	7246	7625	88342	3.1
	- Residues *	31152	32755	2547	2690	2526	2944	32489	-1.4
	- Inventories	5428	5228	4621	4825	5023	5475	5475	0.8
So. Atlantic	- Total Receipts	23769	25736	2301	2336	2464	2702	27601	6.8
	- Total Consumpt.	23725	25847	2301	2319	2464	2589	27407	5.4
	- Residues *	8273	7904	660	684	680	770	8254	3.8
	- Inventories	1165	1163	1039	1045	1163	1366	1366	15.8
Northeast	- Total Receipts	7283	7051	577	615	623	698	7450	7.3
	- Total Consumpt.	7221	7274	542	574	595	670	7561	4.8
	- Residues *	1452	1189	115	146	133	136	1474	25.8
	- Inventories	652	577	422	481	491	531	531	-1.1
South Central	- Total Receipts	26510	28409	2555	2789	2529	2627	31069	5.0
	- Total Consumpt.	27153	29152	2618	2708	2483	2511	30635	4.7
	- Residues *	8616	8218	757	822	705	821	9126	-2.4
	- Inventories	1346	1536	1191	1215	1186	1354	1354	-16.8
North Central	- Total Receipts	5601	6265	576	632	526	572	6988	11.0
	- Total Consumpt.	5706	6343	523	558	511	543	6677	5.0
	- Residues *	1517	1822	121	138	116	119	1518	-17.4
	- Inventories	925	651	817	855	866	883	883	1.5
West	- Total Receipts	15356	16014	1188	1270	1256	1372	15985	-0.6
	- Total Consumpt.	15234	16826	1208	1209	1193	1332	16062	-4.8
	- Residues *	11294	12612	894	900	892	998	12118	-4.1
	- Inventories	1338	1102	1152	1229	1317	1341	1341	10.4

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA
IMPORTS FROM CANADA

	YEAR 1983		SEPT. 1984		OCT. 1984		Annual	% Change
	Tons	\$000	Tons	\$000	Tons	\$000	Rate Y-T-D 1984	From same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	18136	818	23195	1195	198015	76.4
Pulpwood Chips	1987168	48979	158729	3470	119384	2654	2164482	7.8
Wood Pulp, Total	3755201	1363975	332935	142190	327084	141843	4020732	8.7
Waste Fibrous Materials, Total	157732	26491	12681	2027	13638	2181	158168	0.8
Paper, Board & Products, Total	8274914	3372728	808620	353334	800038	358137	9404677	14.6
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3274062	802578	343207	792769	343055	9335823	14.5
Paper, Paperboard & Products	7846516	3277974	762046	342546	749084	345004	8932269	15.2
Paper & Paperboard, Only	7792924	3179310	758003	332419	741816	331922	8863415	15.1
Paper, Total	7633585	3139193	739155	327375	725458	326888	8645314	14.6
Newsprint	6845135	2732234	646871	276142	633524	276481	7889890	13.6
Printing, Writing & Rel. Pap.	695907	348512	80734	43666	78788	42353	831503	21.8
Pack. & Ind. Conv. Paper	79209	46889	8865	5458	8901	5028	101182	26.8
Special Industrial Paper	2732	4473	346	554	235	406	3342	17.0
Tissue Paper	10602	7085	2340	1554	4009	2620	20396	93.9
Paperboard, Total	159339	40117	16848	5045	16358	5034	218101	40.5
Convult Paper&Paperbd Products	53592	98664	6043	10126	7269	13082	68854	31.5
Wet Machine Board	3036	1916	102	86	183	125	2151	-31.2
Construction Paper & Board	425362	92836	46472	10722	50771	11008	470257	4.8

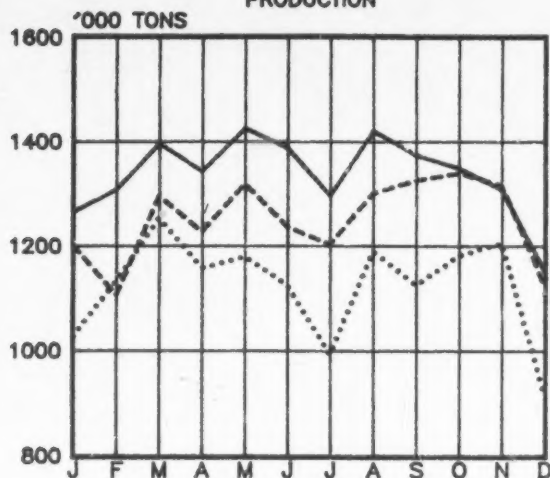
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	6757	174	11424	612	84871	22.0
Pulpwood Chips	38246	2026	1568	72	2669	118	30881	-25.4
Wood Pulp, Total	133633	55369	11884	5497	26856	11727	181385	31.3
Cotton Pulp & Other Pulp	5567	5287	874	620	370	211	10362	6.0
Waste Paper	346809	38478	28203	3169	25138	3088	335287	-2.3
Paper, Board & Products, Total	659229	471256	47646	38328	68737	48296	763483	15.2
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	448117	306687	36774	26461	54338	33403	566641	24.1
Paper, Paperboard & Products	628109	459325	45783	37496	66148	47127	732488	16.0
Paper & Paperboard, Only	416998	294756	34810	25629	51749	32234	535646	26.0
Paper, Total	230771	210626	17183	17658	24204	22267	297125	28.5
Newsprint	4312	3805	303	256	280	244	4792	12.1
Printing, Writing & Rel. Pap.	125110	101541	9762	8890	13991	12789	139730	11.4
Pack. & Ind. Conv. Paper	34403	20921	2876	1987	3549	2186	45216	39.1
Special Industrial Paper	63390	81389	3979	6159	5664	6584	103840	59.5
Tissue	3556	2869	263	365	720	465	3546	-10.1
Paperboard, Total	185226	84131	17728	7972	27545	9867	238521	23.1
Convult Paper&Paperbd Products	211112	184568	10872	11887	14399	14893	186842	-4.5
Wet Machine Board	5288	2976	309	224	475	298	5261	-1.2
Construction Paper & Bd. E	25831	8955	1554	608	2114	871	25733	-2.3

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

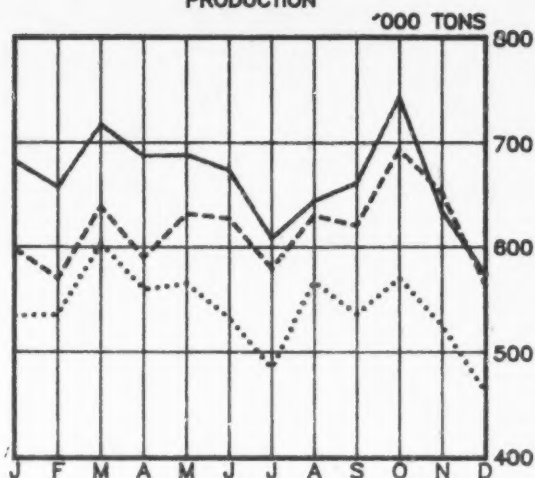
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



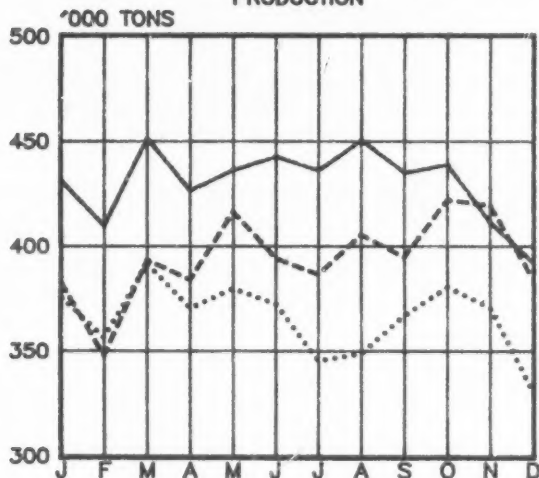
RECYCLED PAPERBOARD

PRODUCTION



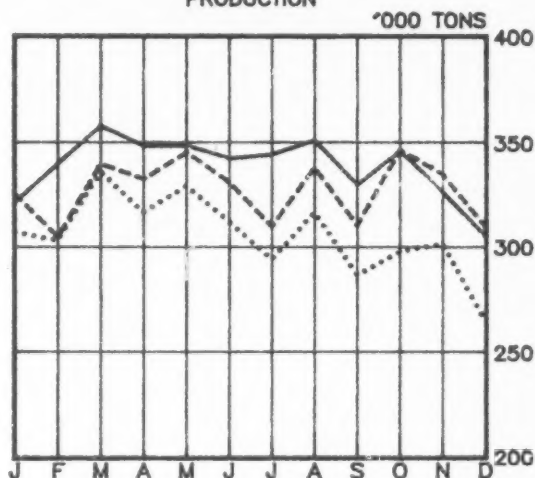
SEMICHEMICAL PAPERBOARD

PRODUCTION



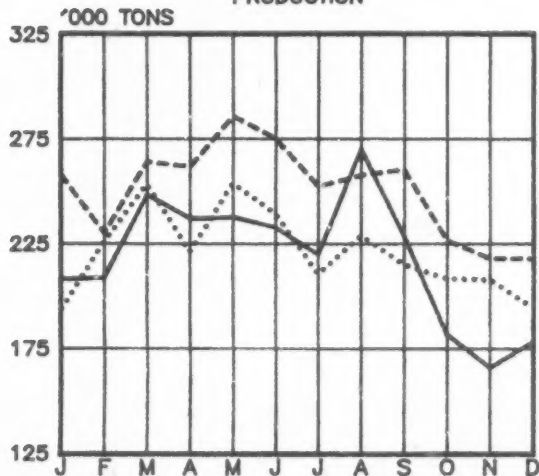
SOLID BLEACHED PAPERBOARD

PRODUCTION



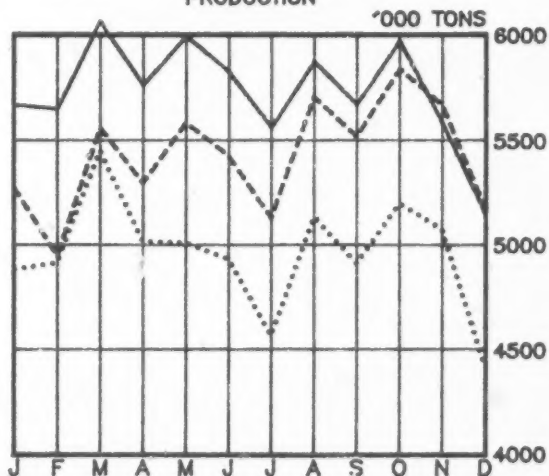
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1982 1983 ----- 1984 ———

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 9

	I M P O R T S				(1)		% Change From same Period Last Year	
	YEAR 1983 Tons \$000		OCT. 1984 Tons \$000		NOV. 1984 Tons \$000			Annual Rate Y-T-D 1984
Pulwood Roundwood (cords)	155124	7471	23195	1195	32071	1706	213253	88.8
Pulwood Chips	1991453	49104	119458	2656	128666	2805	2108815	3.5
Total All Imports	13248280	5526141	1278083	606688	1376814	648792	15785728	18.4
Wood Pulp Total	4093438	1472478	343684	149135	415238	173175	4444802	8.7
Waste Paper	100410	10537	9656	1042	8747	884	110659	8.5
Other Fibrous Materials	68003	24272	5726	1816	3659	1325	67467	-0.4
Paper Board & Products Total	8986431	4018855	920006	454695	849271	473408	11162788	24.8
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834580	3582292	900840	407733	927800	425943	10940251	24.2
Paper Pbd & Prds ex Cnst&HMB	8508180	3911591	864302	442317	908668	464135	10645734	25.8
Paper & Paperboard Only	8357308	3475028	845136	395355	887198	416671	10423187	25.4
Paper Total	8188481	3428868	827072	389222	870005	410757	10179641	24.8
Newsprint	6819348	2757524	648505	281538	664250	287917	7916363	14.7
Printings & Writings	1151011	587428	162721	96826	189491	111968	2085002	85.2
Uncoated Groundwood	732237	331017	81415	43279	111583	59132	1113281	52.2
Uncoated Book	154147	88632	30808	17490	20629	12018	262480	76.2
Coated Print. & Impres. Pap	162441	101289	37813	27185	42567	30802	426536	175.9
Bristols	471	557	43	45	44	34	650	68.1
Writings and Similar Paper	81458	46718	10568	6825	13015	8066	233768	224.6
Thin (except Cigarette)	20258	19213	1872	1893	1654	1816	48294	163.3
Total Pks & Other Paper	107515	75894	11024	7638	12842	8656	145089	37.4
Unbleached Kraft Paper	42013	17454	2651	1187	3841	1790	44878	4.8
Other Pks. & Indust. Paper	65503	58240	8373	6452	9001	6866	104211	58.5
Tissue	11617	8225	4822	3218	3422	2217	29187	153.5
Paperboard, Total	167818	46180	18064	6133	17193	5913	243548	46.5
Test or Containerboard	46119	13042	5589	1806	5896	2130	70686	48.3
Semi-Chemical Corrugations	68564	14509	6594	1686	5853	1558	101588	47.3
Other Paperboard	50136	18609	5871	2532	5444	2224	71262	42.6
Convtd Paper&Paperbd Products	151872	436563	18166	46962	21471	47465	222547	48.1
Paper Products, Total	124818	373866	16043	41687	18377	42322	187400	53.3
Paperboard Products, Total	27055	62597	3123	5276	3094	5143	35147	30.0
Wet machine Board	3584	2422	203	139	313	217	2880	-18.6
Construction Paper & Board	473667	104842	55501	12238	40288	8055	514083	4.7
Notes								
Other: No Weight Avail. (\$000)		148251		17275		17583	198887	34.7
Total Imports Incl. Other(\$000)		5674382		623964		666375	7421786	31.5

E X P O R T S					(1)			
Pulpwood, Roundwood (cords)	69487	4405	11424	612	12781	732	81543	30.8
Pulpwood Chips	2554178	171289	137426	10588	190058	14750	2320557	-10.6
Total All Exports	10888948	4221511	943242	377718	855157	349747	11361814	5.1
Wood Pulp, Total	3543863	1362022	283478	123035	273880	117138	3580565	0.7
Cotton Pulp and Other Pulp	102863	68805	4840	4274	5350	4246	83074	-18.3
Waste and Old Paper	2573716	308915	285060	35659	272211	33122	3247924	26.8
Paper, Board & Products, Total	4568407	2480789	358463	214751	303616	185241	4450250	-3.1
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3984277	1717768	311713	150122	260571	133455	3872305	-3.4
Paper, Pbd & Prod ex Cnst&HMB	4501039	2448778	353454	211234	286948	182560	4372172	-3.4
Paper & Paperboard, Only	3816810	1685778	305705	146604	255903	130774	3794227	-3.7
Paper, Total	773414	599370	63393	53767	64173	55184	807530	3.4
Newsprint	294870	127119	24442	11028	29331	12750	310942	5.0
Printings & Writings	201798	188304	18789	22249	15934	18894	204124	0.1
Uncoated Groundwood	37289	33300	3238	3114	2241	2186	30015	-21.7
Clay Coated Paper	79182	60033	7720	6885	6158	5438	86438	9.3
Uncoated Free Sheet	59125	71662	6459	8805	5856	8478	65452	8.6
Other Printings & Writings	26202	33310	2312	3645	1679	2890	22217	-17.3
Total Pks. & Other Paper	260865	255086	17701	18029	17648	22126	275221	4.2
Unbleached Kraft	116170	43227	8208	2838	6463	2815	106321	-8.9
Other Pks. & Indust. Paper	144695	211858	11482	16188	11184	19311	168900	15.5
Tissue	15881	18861	1460	1460	1260	1315	17243	5.1
Paperboard, Total	3143486	1086408	242313	82837	191730	75590	2886697	-5.5
Solid Wood Pulp	2893868	1016184	221515	85543	176468	70302	2821820	-6.2
Total Linerboard	2254538	575862	173165	56529	122871	39051	2101012	-7.7
Bleached Kraft Linerboard	160253	64914	15747	6478	10087	4154	134088	-14.9
Unbleached Kraft Linerbd	2094285	510948	157418	50050	112804	34897	1966514	-7.2
Other Unbleached Kraft	107141	51822	5007	2772	6380	2986	116386	17.8
Other Bleached Kraft	558431	371357	40489	25348	44307	27150	566048	1.0
Semi-Chemical Corrugations	73758	17144	2854	894	2910	1114	38183	-47.6
Recycled Paperboard	148628	70224	20797	7294	15262	5288	165077	7.8
Convtd Paper&Paperbd Products	584128	783001	47748	64630	43045	61788	577547	-0.9
Paper Products, Total	311722	835386	21672	41822	20118	42127	282688	-6.2
Paperboard Products, Total	272408	227406	28077	22707	22827	18658	285260	5.2
Wet Machine Board	11822	5420	1072	548	830	488	13470	18.1
Construction Paper & Board E	35746	28570	4937	2872	3738	2185	64608	17.8
Notes								
Other: No Weight Avail. (\$000)		7965		679		745	8924	11.6
Total Exports Incl. Other(\$000)		4229475		378397		350492	4555550	8.3

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1987 = 100

Annual
Rate
Y-T-D
83
% Change
From same
Period
Last Year

	1982	1983	SEPT	OCT.	NOV.	DEC.		
Pulp, Paper and Products except Building Grades	273.2	271.4	257.2	258.3	259.4	258.4	252.5	7.5
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper &	275.8	273.3	256.0	255.4	254.5	250.0	254.2	7.7
Total Wood Pulp	375.1	347.1	409.5	385.5	388.4	352.7	355.0	13.8
Total Paper	286.3	282.3	305.7	305.0	305.2	307.1	303.2	7.4
Total Paper, exc. Newsprint	278.3	277.0	303.6	303.1	303.6	302.2	301.2	8.7
Newsprint	315.8	303.0	331.2	338.2	335.9	336.8	324.1	7.0
Total Paperboard	254.8	250.8	288.2	291.8	293.4	292.4	280.6	11.8
Total Paper and Paperboard &	276.5	272.4	300.9	302.9	303.6	302.5	296.1	8.7
Converted Products	264.4	265.4	283.8	285.8	285.1	288.0	280.7	5.8
Waste Paper	121.1	158.5	245.6	235.6	221.4	205.0	240.1	51.4
All Commodities	289.3	303.1	308.5	309.4	310.4	309.9	310.4	2.4
Industrial Commodities	312.3	315.7	322.3	323.2	323.6	323.0	322.6	2.2

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

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Continued from Page 2

Production of recycled boxboard for domestic use in 1984 rose 11%, bringing the total to its highest level since 1973. Total production of folding boxboard (including exports) rose by about 9%, also marking a new high.

Production of recycled paperboard did very well in 1984. At 8 million tons, the total was 7.7% above that of 1983, and 1% above the previous high established back in 1973. In the intervening period, aside from the recession years of 1975 and 1982, total recycled paperboard production fluctuated in the narrow range of 7.0 - 7.6 million tons.

Among the other recycled paperboard grades, production of tube, can and drum stock was about 8% above its year-earlier high, while the production of gypsum wallboard facings -- used largely in residential construction and in maintenance and repair of residential homes -- gained 17%. However, in the late months of 1984 production of this grade moved below the rate of the earlier months of the year, reflecting the decline in the construction of new homes.

IMPORTS AND EXPORTS

The strong U.S. dollar continues to take its toll on the paper and paperboard industry and total exports of paper and paperboard have been following a downward trend. The November 1984 paper plus paperboard exports, as reported by the Department of Commerce, amounted to 256,000 tons, about 26% below its year-ago level. For the entire January-November period, exports of paper and paperboard were at the rate of 3.8 million tons per year, 3.7% below the comparable 1983 total.

Continued on Page 11

The strong dollar, combined with strong demand for the products of the paper and paperboard industry resulted in major gains in imports in 1984. The November 1984 imports of paper plus paperboard amounted to 887,000 tons, of 928,000 tons was 10% over its year-earlier level. For the entire 11-month 1984 period, imports were up 25%, at a rate of 10.4 million tons per year.

Imports of paper have long been dominated by newsprint; in the first 11 months of 1984 newsprint imports averaged 7.9 million tons per year, 15% above their year-earlier rate. If imports hold at this rate in December, the 1984 total would be 7% above the previous high established in 1974.

In recent years imports of printing and writing papers have been showing steep growth trends. Total imports of these grades in the January-November 1984 period, at 2.1 million tons per year, were 85% above their year-earlier level. The major component of these imports was uncoated groundwood papers. Their January-November 1984 rate was 1.1 million tons per year, 52% above its year-ago level. These imports amounted to 45% of the total new supply, indicating that groundwood papers, like newsprint, should rightly be considered as a North American rather than a mainly United States product.

The strong demand for coated papers was reflected in the 176% gain in coated paper imports evident in the first 11 months of 1984. The API's November 1984 Capacity Survey indicates that total coated paper capacity in 1985 will be 2.9% above that of 1984, and that it will increase by 3.5% in 1986 and 7.5% in 1987.

Uncoated free sheet paper imports have also shown major gains in 1984, rising by 125% from their 11-month 1983 level. At 496,000 tons per year, these imports amounted to 5% of the total new supply.

FIBROUS MATERIALS

Production of wood pulp has pretty well followed the trend of paper and paperboard production. Total wood pulp production in 1984 increased by an estimated 5%, while output of market wood pulp rose by 5.5%. Imports of paper grade wood pulp increased 8% while exports showed only a 2% gain.

Inventories of chemical paper grade market pulp at wood pulp mills rose sharply from September to November, then leveled off in December. The year-end 1984 level was 591,000 short tons, up 54% from December 1983. The other major market pulp producing countries also increased their inventories of market pulp. For example, inventories of market wood pulp in Canada at the end of 1984 were 28% above their year-ago level, while those of the Scandinavian countries showed a 27% gain.

Use of waste paper in the production of paper and paperboard gained in importance in 1984. Total consumption, at nearly 16 million tons per year, rose by 8%, compared to a 7% increase in consumption of wood pulp at paper and paperboard mills.

CAPITAL EXPENDITURES

The most recent report by the Department of Commerce on new plant and equipment expenditures indicates that paper and allied product companies sharply increased the rate of expenditures in the last half of 1984, and that they will further increase such expenditures in 1985.

The report shows that where companies classified in the paper industry were spending \$7.0 billion per year on new plant and equipment during the first half of 1984, they spent \$7.72 billion per year in the third quarter and \$8 billion per year in the final quarter. This brought the 1984 total to a record-high \$7.42 billion, 20% above the \$6.18 billion spent in 1983.

The report also shows that paper and allied products companies plan to increase their expenditures even further during the first half of 1985, pushing the rate to \$8.81 billion per year in the first quarter and an astonishing \$9.14 billion in the second quarter. These sharp increases in dollar outlays do not reconcile with the results of API's Capacity Survey.

Recent studies by the American Paper Institute indicate that expenditures for new plant and equipment at new and existing paper and allied products establishments are now probably close to \$6 billion per year. API's recent Capacity Survey showed that paper, paperboard and construction paper and board producers planned to increase their capacity by only 1.2% in 1985, 1.7% in 1986 and another 1.7% in 1987. Even allowing for some increase in prices of new plant and equipment and in outlays for modernization and replacement, these planned increases do not seem to be consistent with the steep expenditure increases published by Commerce.

The Commerce data, which refer to expenditures by companies classified in paper and allied products, include several large companies that are converters in the industry, but would also have significant facilities outside the industry. This would overstate investments in the paper industry. But it is also true that these classification differences make it difficult to interpret the figures reported by the Department of Commerce.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

JANUARY 31, 1985

PAPER GRADES	PRODUCTION (000 TONS)					
	Dec. 1984	Nov. 1984	Dec. 1983	Jan - Dec. 1984 - 1983	Dec. 1983	% Change 84/83
	P	R				
Newsprint	429	460	410	5543	5167	7.3
Printings & Writings	1418	1512	1465	18397	17387	5.8
Uncoated Groundwood (s)	115	126	123	1566	1531	2.3
Coated Paper (s)	498	527	491	6221	5696	9.2
Uncoated Free Sheet Paper (s)	695	747	737	9150	8767	4.4
Thin Paper (s)	25	26	24	338	328	3.0
Cotton Fiber Paper (s)	10	11	11	140	131	6.9
Bleached Bristols (s)	75	76	80	983	934	5.2
Tissue Paper	420	420	390	4921	4789	2.8
Total Pks & Other Paper	386	428	449	5551	5498	1.0
Unbleached Kraft Packasins & Indl. Convertins (s)	255	289	292	3666	3666	0.0
Other Paper	131	139	157	1886	1832	2.9
TOTAL PAPER	2653	2820	2714	34412	32841	4.8
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1230	1391	1206	17179	16122	6.6
Unbleached Kraft Linerboard	1154	1309	1126	16032	15001	6.9
Other Unbl. Kraft Paperboard	77	82	80	1147	1121	2.3
Semichemical Paperboard	392	411	385	5162	4730	9.1
Bleached Paperboard	305	326	310	4059	3926	3.4
Recycled Paperboard	575	634	566	7971	7398	7.7
TOTAL PAPERBOARD	2503	2762	2466	34372	32177	6.8
TOTAL PAPER AND PAPERBOARD	5155	5582	5180	68784	65017	5.8
WOOD PULP (ALL GRADES)						
	Nov. 1984	Oct. 1984	Nov. 1983	Jan - Nov. 1984 - 1983	Nov. 1983	% Change 84/83
Dissolving & Special Alpha	101	103	117	1120	1155	-3.0
Bleached Sulfite	108	105	106	1247	1196	4.3
Unbleached Sulfite	19	20	26	242	287	-15.7
Bleached & Semi-Bl. Sulfate	1865	1971	1842	20534	19454	5.5
Unbleached Sulfate	1654	1751	1730	19239	18123	6.2
Semichemical	318	353	334	3722	3549	4.9
Groundwood and Thermomechanical	436	460	443	5098	4649	9.7
TOTAL PULP DIVISION DATA	4502	4763	4597	51202	48413	5.8

(s) - Shipments R - Revised
P - Preliminary

January 31, 1985

January 31, 1985	Full Year		INDUSTRY DATA 1984			Ann. Rate Year -	% From Same Pd. Last Yr.
	1982	1983	R	R	P	Te - Date	Last Yr.
PAPER AND PAPERBOARD -- Tons (000)							
Total Production (API).....I excluding I...	59456	65017	October	November	December	58784	5.8
Total Seasonally Adjusted.....I construction I...			5976	5582	5155	58731	5.3
Imports (including Products) I and wet I...E	7803	8509	5746	5607	5764	10575	+24.3
Exports (including Products) I machine I...E	4187	4501	884	909	N.A.	4308	-4.3
Apparent Consumption.....I grades I...	62872a	68695b	353	298	N.A.	74847c	+8.1
Paper Production X Tonnage Capacity.....	87.8a	92.0a	6257	6217	6280	83.4ah	-
Paperboard Production X Tonnage Capacity.....	82.1a	90.8a	85.5	92.5	92.0	95.7a	-
			95.5	95.1	91.6		
IMPORTS.....I including Construction and I.....							
EXPORTS.....I HMB Grades (excl. HPB) I.....	8024	8986	September	October	November	11163	24.6
	4246	4568	970	920	949	4450	-3.1
			398	359	304		
MARKET WOOD PULP PRODUCTION - Tons (000).....							
TOTAL WOOD PULP PRODUCTION - Tons (000).....(F)....	5732	6478	548	635	578	6872	5.0
WOOD PULP IMPORTS - TONS (000).....	49334	52537	4558	4763	4502	55857	5.8
WOOD PULP EXPORTS - TONS (000).....	3658	4093	386	344	415	4445	8.7
RAW MATERIALS CONSUMPTION - Tons (000)	3395	3644	285	284	274	3581	0.7
..PAPER AND BOARD MILLS I excluding I							
Wood Pulp.....I consumption For I.....	47767	50978	September	October	November	54463	6.5
Waste Paper.....I construction & I.....	13565	14539	4485	4604	4406	15847	8.5
TOTAL.....I HMB grades I.....	61332	65517	1258	1367	1310	70309	6.8
PULPHOOD CONSUMPTION Cards (000) Amer. Pulp. Assn	79039	85442	5743	5971	5716	88114	2.8
			7246	7625	7153		
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....	662.4	661.6	October	November	December	682.4	3.1
Pulp, Paper and Board Mills.....Total.....E	258.9	258.2	685.5	684.1	684.1	263.8	2.2
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.32	9.94	262.8	263.9	264.7	10.44	5.1
Pulp, Paper Mills.....E	10.87	11.70	10.56	10.67	10.68	12.45	6.4
Paperboard Mills.....E	11.13	12.11	12.69	12.85	12.76	12.99	7.2
			13.31	13.35	13.26		
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS							
(Rept. by US Dept. of Com. Ann. Rates, Bill. \$)*	5.97	6.18	1984 Q1	1984 Q2	1984 Q3	7.42r	20.1
			7.05	7.72	8.00		
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....							
IN PULP, PAPER I...Production Workers.....	108.4	118.0	October	November	December	121.1	2.8
LAND BOARD MILLS I...All Employees.....	106.3	115.8	123.7	119.4	120.3	119.4	3.1
			121.3	117.1	118.1		
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce)*.....	78992	85662	September	October	November	95630	12.4
Pulp, Paper and Paperboard*.....	33523	36346	7955	8034	8158	41351	14.8
Inventories (End of Period) - Total Industry*	8607	8729	3414	3418	3463	9746	10.6
Pulp, Paper and Paperboard*.....	3365	3263	9598	8638	8746	3588	8.7
			9545	3544	3588		
Sales (Corporations Only, FTC).....	60293	65008	1984 Q1	1984 Q2	1984 Q3	72332	12.7
Earnings (Corporations Only, FTC).....	1460	2327	17459	18684	18096	3363	50.8
Depreciation (Corporations Only, FTC).....	2379	2607	829	942	951	2797	6.8
Net Worth (Corporations Only, FTC).....	26705	27219	593	699	706	28606	6.1
			27617	28130	28806		
PRICE INDEXES (Bureau of Labor Stats) 1967=100							
Pulp, Paper & Products, ex. Building Grades...	273.2	271.4	October	November	December	292.9	7.9
Wood Pulp.....	379.1	347.1	298.3	299.4	298.4	395.0	13.8
Waste Paper.....	121.1	158.6	399.5	398.4	392.7	Not Available	
Paper.....	286.3	282.3	235.6	221.4	206.0	303.2	7.4
Paperboard.....	254.9	250.8	308.0	308.2	307.1	280.6	11.9
			281.8	293.4	292.4		
PAPER DEMAND (INDEXED: 1987=100)							
Total Paper Production *.....	145.2	156.9	October	November	December	164.1	4.5
Paper New Supply *.....	135.1	147.2	165.5	162.7	162.6	160.2	8.9
Total End - Use Index *.....	149.5	157.8	160.7	160.0	158.8	172.6	9.3
Production of Nondurable Goods *....(19%)..	156.1	168.0	174.9	175.8	176.0	179.8	7.0
Disposable Income (Constant \$) *....(23%)..	157.8	163.4	181.0	180.7	182.3	174.5	6.8
Total Printings and Publications *....(58%)..	144.0	152.3	176.6	178.7	177.2	169.4	11.3
Trend Factor			172.2	173.9	173.5		
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	127.6	141.2	Not Available			150.6	6.5
Production for Domestic Use	122.7	135.5	150.2	145.5	153.9	147.4	8.5
Total End - Use Index *.....	139.5	148.8	149.1	145.0	153.2	161.8	8.7
Production of Consumer Goods *....(60.49%)	142.7	151.8	162.0	162.9	163.8	161.8	6.6
Production of Equipment *....(6.62%)	139.8	140.8	161.8	162.8	163.7	163.8	16.4
Production of Materials *....(32.89%)	133.7	145.2	170.0	170.2	171.6	161.5	11.2
Trend Factor			160.7	161.5	162.3		
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000).....	11141	11671	September	October	November	12326	6.4
Newspaper Pub. and Printings Empl. Total(000)...	417.5	421.6	1068	1017	1038	442.1	5.0
PRINTING AND FINE PAPER MARKETS			445.4	447.9	452.3		
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	121817	140647	13691	15370	15630	149904	6.6
WHOLESALESALES AND INVENTORIES (Million \$)(J)							
Total Paper & Pap. Prods. ex Wallpaper..Sales	22776	26532	2567	2797	2630	31604	20.2
Inventories (End of Period)	1885	2341	2519	2550	2626	2626	10.5
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet).....	235185	252539	October	November	December	268070	6.1
Container 'bd Inventory at Mill & Plant(000Tons)	2584	2437	24872	21140	19496	2827	16.0
RETAIL TRADE (Million \$)			2602	2656	2827		
Total Retail Sales *.....	1074467	1171919	108733	110900	110815	1294019	10.5
Nondurable Goods Stores Sales *.....	753568	793398	70320	71606	71881	842666	6.2
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	138.6	147.6	164.5	165.2	166.2	163.5	10.8
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)...	299.3	303.1	309.4	310.4	309.9	310.4	2.4
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	289.1	298.4	315.3	315.3	315.5	311.1	4.3
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$).							
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions)...	344.8	387.9	September	October	November	463.5	23.1
G.N.P. or Expenditure - Current \$.....	3069.2	3304.8	430.1	455.3	463.5	3631.1	11.3
G.N.P. or Expenditure - 1972 \$.....	1480.0	1534.7	1984 Q1	1984 Q2	1984 Q3	1632.1	7.2
			3553.3	3644.7	3695.2		
			1610.9	1638.8	1646.5		

lb/capita

Pap&PbD Othr Totl Popul(mil)

a - 543 + 15 = 558 232.0

b - 589 + 18 = 607 234.2

c - 633 + 19 = 651 236.6

E - Last month estimated by API

a - estimated by API

a - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

J - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

v - Full year estm. by

U.S. Dept. of Com.

o - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 2

FEBRUARY, 1985

PAPER AND PAPERBOARD PRODUCTION, JANUARY 1985: TREND FLATTENING

Production of paper and paperboard started the new year at a trend rate (average of January 1985 and December 1984 seasonally adjusted rates) that was about 1% above that of both the last quarter of 1984 and the average rate for all of 1984. Total paper and paperboard production was 1.7% over its January 1984 level in January 1985, with paper up 1.5% and paperboard up 1.8%.

Paper: Coated printing paper production continues to show the greatest strength in the paper grades, reflecting the growing demand for these papers by magazines, catalogues, commercial printing and book publishing. Last year production of these papers was at a record high of 6.2 million tons, 9.3% above the 1983 level and within 3% of capacity as reported in the API's November 1984 Capacity Survey. Data through the first five weeks of 1985 show the level of new orders above the shipments rate.

The strength in demand for coated papers is also reflected in the rate of imports. Imports of coated papers plus impregnated papers in 1984 totaled 428,000 tons, and were equivalent to 6.5% of the total new supply of coated papers, as here defined. Imports of these papers in the fourth quarter of 1984 were at the rate of 471,000 tons per year, confirming the intensity of the current demand for coated papers. API combines the reported Census data on imports of impregnated with those of coated papers, inasmuch as they serve similar markets. Technically, the impregnated papers are classified with converted papers, but they compete directly with the primary papers.

As the tables on the yellow Fact Sheet and on page 3 show, production of most of the other grades of printing and writing papers were above their year-ago levels, although uncoated groundwood papers showed a 9.3% decline. However, weekly data indicate that new orders for these papers improved sharply during the last two weeks in January and shipments also began to move up. As the table on page 3 shows, the total orders for uncoated groundwood papers in January were well above the level of shipments.

Demand for the packaging and industrial grades of paper tended to be on the soft side during the early weeks of 1985, with the production rate 4% below its year-ago level. Demand for grocers sacks held up fairly well, but shipping sack demand was down.

Continued on Page 2

Paperboard: The January 1985 data indicate some strengthening in the demand for bleached board (SBS). Production for export was a shade above its year-earlier level. Production of milk carton stock was up 16% from its year-ago level; plate, dish and tray stock gained 24% and other uses 11%. Demand for paperboard milk cartons appears to have reversed a long term downtrend during 1984.

Demand for folding boxboard also appears to have held the gains evident during 1983 and 1984. The January 1985 production total for all folding boxboard was 4.6% above its year-ago level. However, the gains were concentrated in the recycled grades -- including coated and white lined, with the solid bleached grades falling about 1% below their January 1984 total.

Production of kraft paperboard continued along its rising trend in January 1985, at a seasonally adjusted rate that was well above its 1984 average. This trend is consistent with the latest data available on shipments of corrugated containers: the December 1984 seasonally adjusted rate of shipments made a new high at more than 270 billion square feet per year.

However, inventories of containerboard at mills and boxplants are also at high levels. Inventories on January 1, 1985 were 16% above their year-earlier total, and were equivalent to 8.4 weeks of supply; considerably above the 7.2 weeks of supply on hand on January 1, 1984.

Although recycled folding boxboard production showed a solid gain in January 1985, declines in some of the other packaging grades and in the non-packaging grades (production of gypsum wallboard facings was down 10%, for example) held total recycled paperboard production at its year-ago level. The data in the table on page 3 show that the 1984 production total for recycled paperboard was revised downward by 113,000 tons, reflecting new estimates of non-reporting tonnages. While this adjustment reduced the 1983-1984 gain to 6.2%, the strong uptrend in the demand for recycled paperboard previously reported for 1983 and 1984 shows up in the new figures, and the 1984 total is still very close to the record high established in 1973 and well above the total of any year other than 1973. But while the 1973 production total was swollen by a huge demand for inventories of paperboard and paperboard products, there is no indication that the 1984 inventory demand accounted for anything like the 1973 volume.

Imports, Exports and New Supply

The import and export totals for all of 1984 are now available and they verify the trends evident throughout the year. Total paper and paperboard imports, as shown in the table on page 9, amounted to 10,355,000 tons, a new high and some 24% above the 1983 level. When the converted products and construction grades are taken into account, the total expands to 11,075,000 tons, 23% above the 1983 level.

PAPER AND PAPERBOARD STATISTICS
PRODUCTION, SHIPMENTS AND ORDERS
 (Thousands of Short Tons)

	YEAR		OCT.	NOV.	DEC.	JAN.	Annual	% Change
	1983	1984	1984	1984	1984	1985	Rate Y-T-D 1985	From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	470	460	429	469	5622	2.0
- Shipments	5153	5584	469	466	431	457	5486	0.1
Printing & Writing sum	17387	18406	1624	1512	1427	1590	19084	3.7
Groundwood Paper - Shipments	1531	1564	135	126	113	122	1469	-9.3
- New Orders	1581	1599	139	112	124	148	1782	6.3
- Unfilled Orders	145	164	165	153	164	203	203	39.6
Coated Papers - Shipments	5696	6227	553	527	504	556	6672	9.5
- New Orders	5864	6214	553	527	504	553	6634	12.4
- Unfilled Orders	513	573	570	561	573	579	579	19.8
Unctd Free Sheet - Shipments	8767	9148	804	747	693	794	9533	2.1
- New Orders	9076	8879	797	733	693	777	9323	4.4
- Unfilled Orders	687	431	442	427	431	426	426	-32.6
Thin Papers - Shipments	328	338	30	26	25	29	343	2.9
Cotton Fiber Paper - Shipments	131	142	13	11	11	12	142	1.7
Bleached Bristols - Production	934	989	91	76	81	77	925	5.3
Tissue Paper - Production	4789	4921	434	420	420	403	4837	-0.8
Total Packaging & Other Paper	5497	5557	468	428	387	456	5466	-4.0
Unbl. Kraft Paper - Shipments	3666	3667	313	289	256	302	3628	-2.3
Other Paper - Production	1832	1889	156	139	131	153	1838	-7.2
TOTAL PAPER-Production-Unadj. *	32840	34422	2997	2820	2663	2917	35009	1.5
-Production-S.A. *			2887	2840	2848	2941	35292	1.5
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26401	2234	2128	1928	2162	25946	2.3
Unbl. Kraft Linerboard (1)	15001	16032	1349	1309	1154	1318	15811	4.0
Production for Export	2281	1975	131	112	126	110	1322	-28.6
Other Unbl. Kraft Paperboard	1121	1147	99	82	77	90	1083	-4.0
Semichemical Paperboard	4731	5162	439	411	392	417	4998	-3.4
Production for Export	193	151	10	16	11	8	95	-35.4
Solid Bleached Paperboard	3926	4059	346	326	305	338	4054	5.1
Production for Export	515	470	39	37	37	41	494	1.8
Recycled Paperboard	7398	7858	678	627	567	682	8184	.0
Production for Export	24	21	2	2	4	2	19	18.6
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34259	2912	2755	2495	2844	34130	1.8
- Containerboard Prod.(Dom. Use)	19173	20930	1798	1730	1538	1778	21335	4.7
- Boxboard Prod.(Dom. Use) (2)	5551	5908	521	486	435	554	6643	14.4
- All Other P'bd Prod.(D.U.) (2)	4441	4804	412	373	344	513	6152	26.9
- Total Paperbd Prod. for Export	3012	2617	182	166	178	161	1929	-22.8
TOTAL PAPERBOARD PROD.- S.A. *			2794	2760	2919	2887	34649	1.8
TOTAL PAPER AND PAPERBOARD								
Production - actual *	65017	68681	5905	5575	5158	5762	69139	1.7
Production - S.A. *			5681	5600	5766	5828	69942	1.7

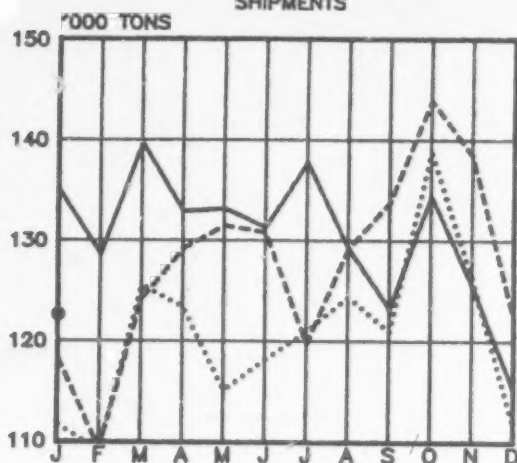
(1) Includes all exports of kraft paperboard.

(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.

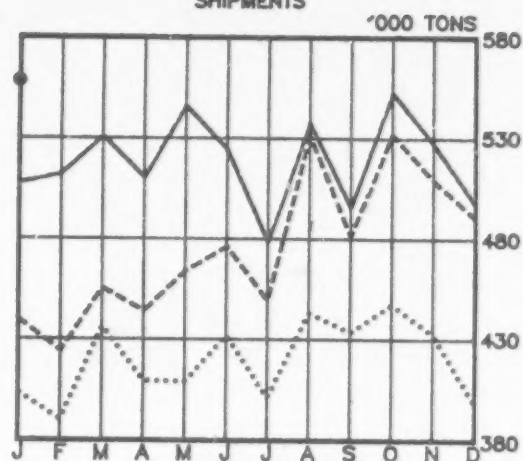
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
 R Revised
 S.A. Seasonally Adjusted

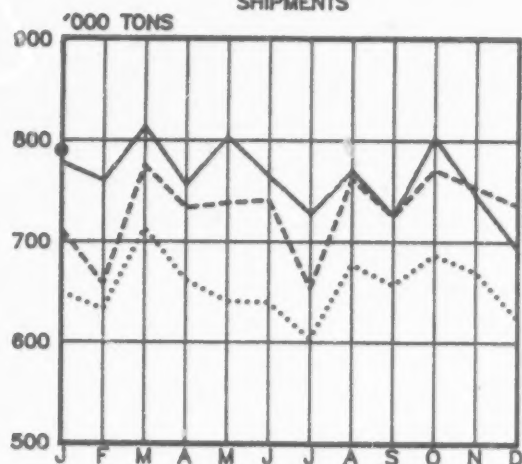
GROUNDWOOD PAPER, UNCOATED SHIPMENTS



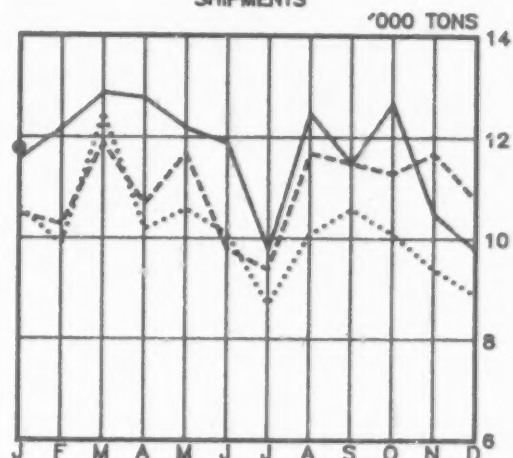
COATED PAPER SHIPMENTS



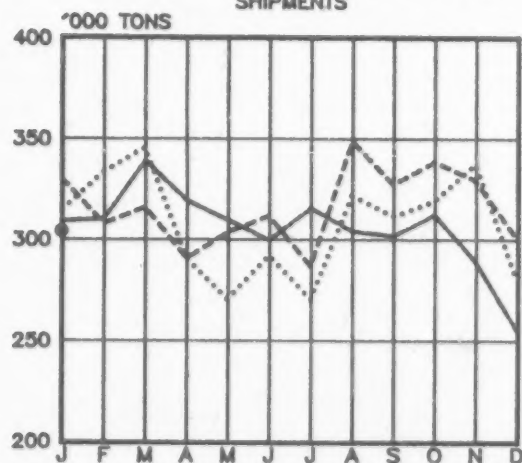
UNCOATED FREE SHEET PAPERS SHIPMENTS



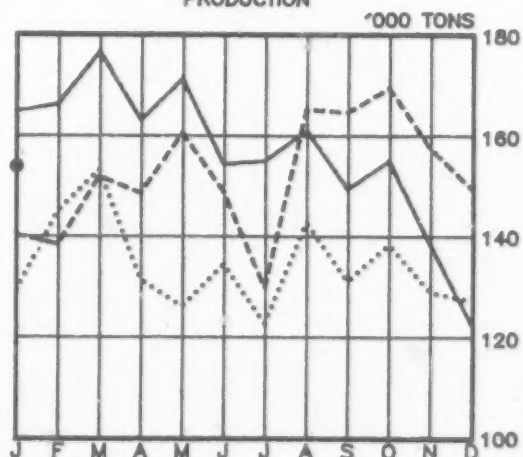
COTTON FIBER PAPER SHIPMENTS



UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER SHIPMENTS



OTHER PAPER PRODUCTION



1982 1983 ----- 1984 ————
1985 ●

WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		SEPT.	OCT.	NOV.	DEC.	Annual	% Change
	1982	1983	1984	1984	1984	1984	Rate	from same
							Y-T-D	Period
							1984	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52537	4567	4773	4508	4350	55579	5.8
- Imports	3656	4093	386	344	415	416	4490	9.7
- Exports	3395	3644	285	284	274	311	3594	-1.4
- New Supply	49595	52986	4668	4833	4649	4455	56475	6.6
Dissolving Pulp - Production	1092	1261	73	103	101	87	1206	-4.3
- Imports	186	192	23	9	8	18	161	-16.2
- Exports	631	647	49	48	28	65	595	-8.0
- New Supply	647	806	47	64	81	40	772	-4.2
Paper Grades - Production	39478	42358	3707	3846	3645	3486	44739	5.6
Chemical Pulp - Imports	3302	3706	330	323	359	361	4023	8.5
- Exports	2736	2958	232	232	241	242	2945	-0.4
- New Supply	40044	43106	3805	3937	3763	3605	45817	6.3
Groundwood and Thermo-Rech. - Production	5064	5067	455	462	436	447	5534	9.2
- Imports	167	195	33	11	48	37	306	57.3
- Exports	27	40	4	4	4	4	54	36.3
- New Supply	5204	5222	484	469	480	480	5786	10.8
Semi-Chemical - Production	3699	3851	334	361	326	330	4100	6.5
- Imports	0	0						
- Exports	0	0						
- New Supply	3699	3851	334	361	326	330	4100	6.5
			Included in Groundwood Pulp					
			334	361	326	330	4100	6.5
MARKET WOOD PULP								
Total Market - Production	5732	6478	535	632	580	540	6834	5.5
Wood Pulp - Imports	2443	2945	273	250	283	311	3256	10.6
- Exports	3143	3421	310	245	248	316	3499	1.1
- New Supply	5032	6002	498	637	615	535	6633	10.5
Dissolving Pulp - Production	1089	1260	73	103	101	86	1197	-5.0
- Imports	194	210	28	13	11	20	204	-3.0
- Exports	675	698	66	42	52	69	690	-1.1
- New Supply	608	772	35	74	60	37	710	-8.0
Paper Grades - Production	4643	5206	461	528	478	453	5623	8.0
Chemical Pulp - Imports	3202	2698	241	229	248	272	2952	9.4
- Exports	2468	2723	244	204	196	247	2769	1.7
- New Supply	4377	5181	458	553	530	478	5806	12.1
Groundwood Pulp and All Other - Production	1	12	1	1	1	1	14	16.1
- Imports	46	38	4	8	24	19	100	165.2
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	47	50	5	9	25	20	114	130.0

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS

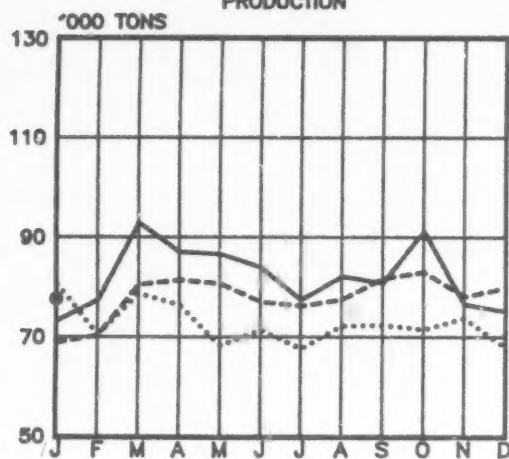
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	61332	65674	5761	5994	5730	5505	70105	6.7
Total Wood Pulp	47767	50978	4490	4613	4406	4297	54216	6.4
Waste Paper	13565	14696	1271	1381	1324	1208	15889	8.1
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	160	164	159	175	175	2.9
Market Pulp at Pulp Mills	437	384	418	502	591	581	581	51.3
Mkt Pulp at Ppr. & Bd. Mills *	429	504	508	474	470	459	459	-8.9
Waste Paper at Paper & Bd. Mills	1022	923	931	976	992	1025	1025	11.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	30	34	42	50	50	92.3

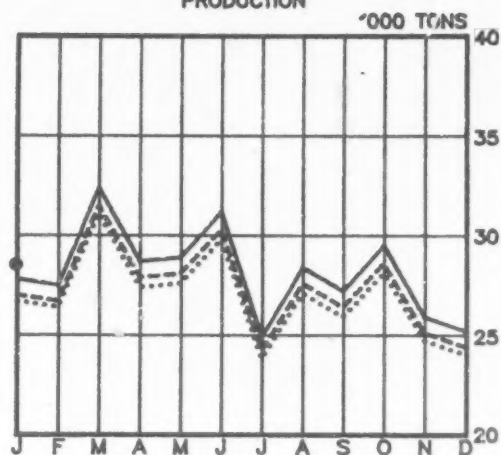
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

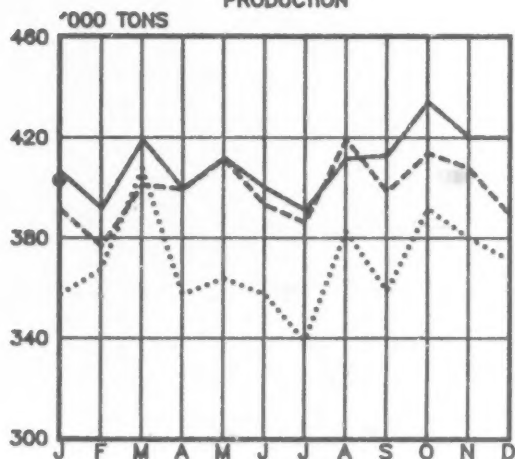
BLEACHED BRISTOLS
PRODUCTION



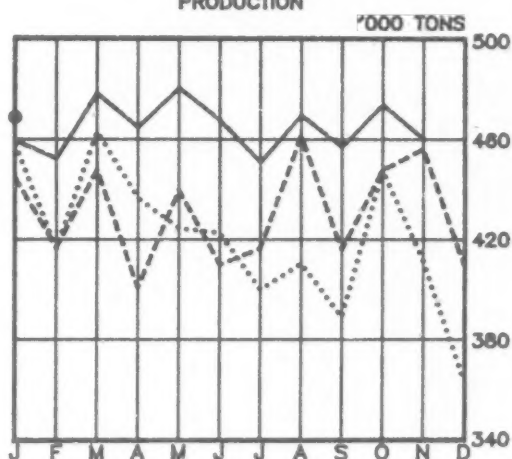
THIN PAPER
PRODUCTION



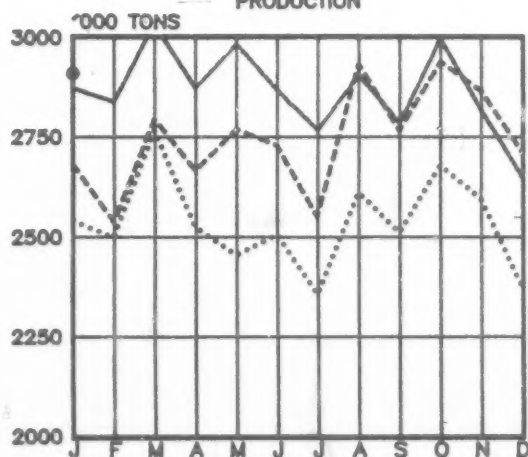
TISSUE PAPER
PRODUCTION



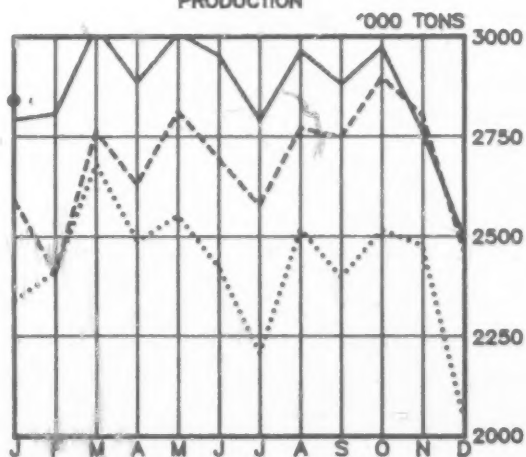
NEWSPRINT
PRODUCTION



TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



1982 1983 ----- 1984 ————
1985 ●

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

	YEAR	1982	1983	SEPT. 1984	OCT. 1984	NOV. 1984	DEC. 1984	Annual Rate Y-T-D 1984	% Change from same Period Last Year
PULPMOOD									
Total U.S.	- Total Receipts	78319	84475	7398	7971	6996	7000	88249	4.5
	- Total Consumpt	79039	85442	7246	7625	7153	6875	87444	2.6
	- Residues *	31152	32755	2526	2844	2568	2427	32049	-2.1
	- Inventories	5426	5229	5023	5475	5314	5574	5574	6.6
So. Atlantic	- Total Receipts	23769	25736	2464	2702	2372	2281	27654	7.5
	- Total Consumpt	23725	25847	2464	2569	2323	2182	27344	5.8
	- Residues *	8273	7904	680	770	682	638	8198	3.7
	- Inventories	1165	1163	1163	1366	1333	1444	1444	24.2
Northeast	- Total Receipts	7283	7051	623	698	611	616	7435	5.4
	- Total Consumpt	7221	7274	595	670	560	613	7474	2.7
	- Residues *	1452	1199	133	136	126	147	1501	25.2
	- Inventories	652	577	491	531	545	590	590	2.3
South Central	- Total Receipts	26510	29409	2529	2627	2310	2492	30693	4.4
	- Total Consumpt	27153	29152	2483	2511	2529	2444	30582	4.6
	- Residues *	8616	9218	705	821	749	705	9059	-1.7
	- Inventories	1346	1536	1186	1354	1287	1304	1304	-15.1
North Central	- Total Receipts	5601	6265	526	572	523	513	6859	9.5
	- Total Consumpt	5706	6343	511	543	532	467	6543	3.5
	- Residues *	1517	1822	116	119	116	91	1472	-19.2
	- Inventories	925	851	866	883	848	906	906	6.5
West	- Total Receipts	15356	16014	1256	1372	1180	1098	15607	-2.5
	- Total Consumpt	15234	16826	1193	1332	1209	1169	15763	-6.3
	- Residues *	11294	12612	892	998	898	846	11842	-6.1
	- Inventories	1338	1102	1317	1341	1301	1330	1330	20.7

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

U N I T E D S T A T E S T R A D E W I T H C A N A D A
IMPORTS FROM CANADA

	YEAR	1983	NOV.	1984	DEC.	1984	Annual	% Change
	Tons	\$000's	Tons	\$000's	Tons	\$000's	Y-T-D 1984	from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	31923	1693	12251	570	207520	33.8
Pulpwood chips	1987168	48979	128077	2797	129458	2981	2061270	3.7
Wood Pulp, Total	3755201	1363975	347573	153145	341730	138877	4059813	8.1
Waste Fibrous Materials, Total	157733	26491	11114	1508	9036	1142	151957	-3.7
Paper, Board & Products, Total	8274914	3343101	796219	353520	753632	336023	9328861	12.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3244437	789863	343121	747035	327016	9258530	12.6
Paper, Paperboard & Products	7846510	3248349	759863	345382	730449	330557	8875650	13.1
Paper & Paperboard, Only	7792924	3149485	753507	334983	723852	321550	8805318	13.0
Paper, Total	7633585	3109568	737523	329916	705939	316480	8589671	12.5
Newsprint	6845123	2732234	648895	282254	625038	272778	7681341	12.2
Printing, Writing & Rel. Pap.	695807	318887	75342	39962	70415	37180	780456	12.1
Pack. & Ind. Conv. Paper	29209	46889	10067	5454	6745	4043	101131	27.7
Special Industrial Paper	1032	4473	192	325	254	387	3232	18.3
Tissue Paper	10402	7085	3028	1922	3487	2092	23512	121.8
Paperboard, Total	159339	40117	15984	5067	17913	5070	215648	35.3
Convtd Paper&Paperbd Products	53592	98664	6356	10399	6597	9007	70331	31.2
Wet Machine Board	3037	1916	252	164	55	37	2098	-30.9
Construction Paper & Board	425362	92836	36104	7973	23128	5429	451113	6.1

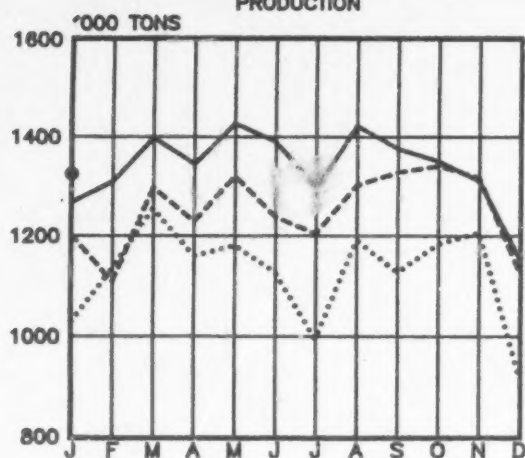
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	12781	732	11527	691	95117	37.9
Pulpwood chips	38248	2026	1310	92	1401	91	28445	-25.6
Wood Pulp, Total	133633	55369	13207	5956	16489	7528	180850	35.3
Cotton Pulp & Other Pulp	9567	5287	1088	919	751	479	10474	9.5
Waste Paper	346809	39478	26217	3087	20889	3277	325712	-6.1
Paper, Board & Products, Total	659229	471256	56455	44579	63809	35789	756499	14.8
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	448117	306687	41344	28900	54152	25411	569696	27.1
Paper, Paperboard & Products	628109	459325	54513	43753	61968	34504	726888	15.7
Paper & Paperboard, Only	416998	294756	41402	28074	52311	24526	540085	29.5
Paper, Total	230771	210626	20533	20169	28654	16997	296791	28.6
Newsprint	4312	3805	207	201	293	238	4493	4.2
Printing, Writing & Rel. Pap.	125110	101541	10561	10582	10837	9444	117839	10.2
Pack. & Ind. Conv. Paper	34403	20921	4693	2294	4288	2135	46661	35.6
Special Industrial Paper	63390	81389	4516	6582	12990	4895	104039	64.1
Tissue Paper	3556	2969	557	511	246	284	3758	5.7
Paperboard, Total	186226	84131	20869	7905	23657	7529	243294	30.6
Convtd Paper&Paperbd Products	211112	164588	13111	15679	9657	9978	186803	-11.5
Wet Machine Board	5289	2976	339	240	589	451	5312	0.4
Construction Paper & Board	25831	8955	1602	586	1252	435	24299	-5.9

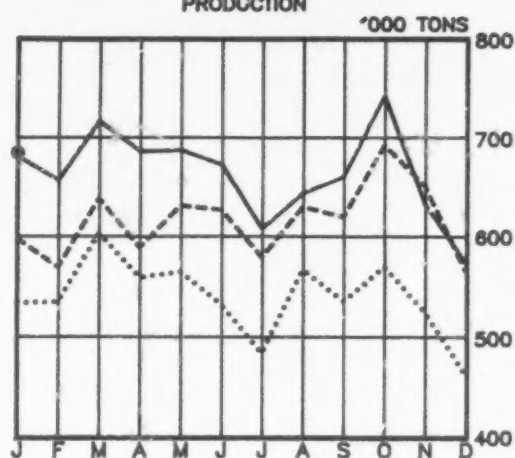
SOURCE: Bureau of Census, Department of Commerce.

E - Estimate of tonnage based on square foot data

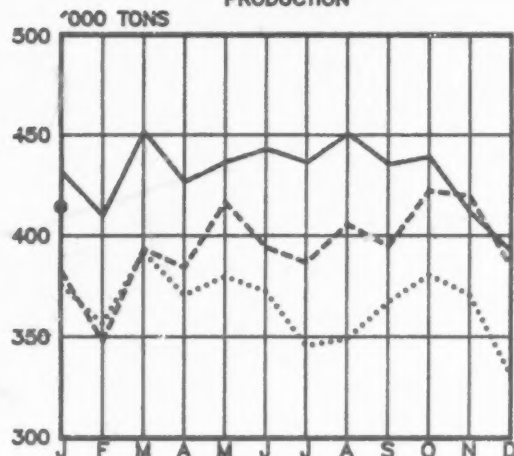
UNBLEACHED KRAFT LINERBOARD PRODUCTION



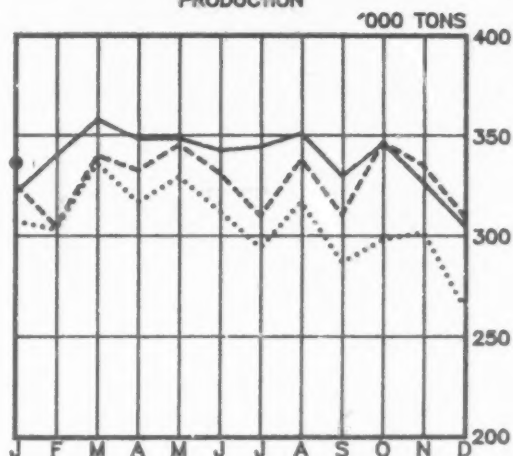
RECYCLED PAPERBOARD PRODUCTION



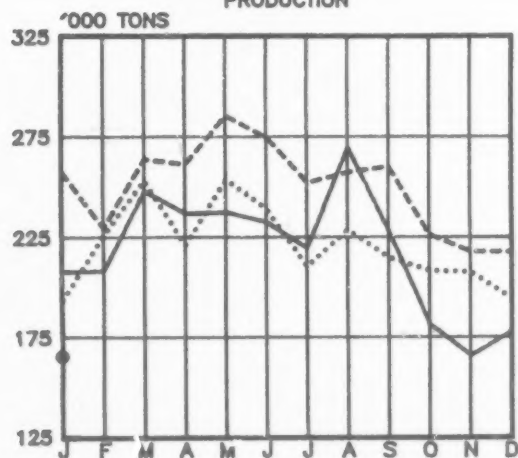
SEMICHEMICAL PAPERBOARD PRODUCTION



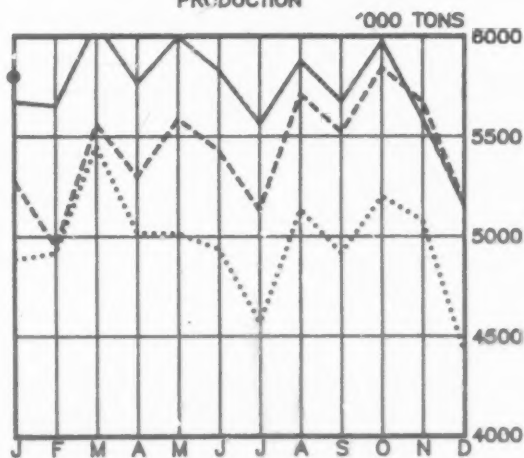
SOLID BLEACHED PAPERBOARD PRODUCTION



PAPERBOARD FOR EXPORT PRODUCTION



TOTAL PAPER AND PAPERBOARD PRODUCTION



1982 1983 ----- 1984 ————
1985 ●

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 9

IMPORTS

(1)

(1)

Annual

Rate

Y-T-D

1984

% Change

from same

Period

Last Year

YEAR 1983	NOV 1984	DEC 1984
Tons \$000	Tons \$000	Tons \$000

Pulpwood, Roundwood (cords)	155124	7471	32071	1706	12251	570	207733	33.9
Pulpwood Chips	1991453	49104	128666	2805	129465	2982	2062545	3.6
Total All Imports	13248280	5526141	1176914	648792	1269216	584249	15739465	18.8
Wood Pulp, Total	4093436	1472478	415238	173175	415679	167622	4490081	9.7
Waste Paper	100410	10537	8747	884	8275	912	109712	9.3
Other Fibrous Materials	68003	24272	3659	1325	2521	1257	64366	-5.3
Paper, Board & Products Total	8986431	4018855	949271	473408	842742	414459	11075306	23.2
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	927800	425943	825745	377146	10854309	22.9
Paper, Ppbd & Prds ex Cnst&WMB	8509180	3911591	908669	464135	817059	407946	10575648	24.1
Paper & Paperboard Only	8357309	3475028	887198	416671	800062	370634	10154651	23.9
Paper, Total	8189491	3428868	870005	410757	780700	364572	10112037	23.5
Newsprint	6519348	2757524	664250	287917	637211	277714	7893877	14.1
Printing & Writing	1151011	587426	189491	111968	131114	78100	2042366	77.4
Uncoated Groundwood	732237	331017	111583	59132	69558	36668	1090048	48.9
Uncoated Book	154147	88632	20629	12018	14310	8438	254925	65.4
Coated Print. & Impreg. Pap.	162441	101289	42567	30802	37281	26030	482275	163.7
Bristols	471	557	44	34	72	97	668	41.9
Writing and Similar Paper	81458	46718	13015	8066	7734	4870	222022	172.6
Thin (except Cigarette)	20258	19213	1654	1916	2158	1998	46427	129.2
Total Pkg. & Other Paper	107515	75694	12842	6656	8818	6588	145483	35.3
Unbleached Kraft Paper	42013	17454	3841	1790	1716	915	42855	2.0
Other Pkg. & Indust. Paper	65503	58240	9001	6866	7101	5673	102629	56.7
Tissue	11617	8225	3422	2217	3557	2169	30312	160.9
Paperboard, Total	167818	46160	17193	5913	19362	6062	242613	44.6
Test or Containerboard	48119	13042	5896	2130	5222	1754	70027	45.5
Semi-Chemical Corrugating	69564	14509	5853	1559	10844	2769	103967	49.5
Other Paperboard	50136	18609	5444	2224	3297	1540	68620	36.9
Convtd Paper&Paperbd Products	151872	436563	21471	47465	16997	37313	220998	45.5
Paper Products, Total	124816	373966	18377	42322	14415	33055	186199	49.2
Paperboard Products, Total	27055	62597	3094	5143	2501	4258	34799	28.6
Wet machine Board	3584	2422	313	217	95	61	2827	-21.1
Construction Paper & Board	473667	104842	40288	9055	25588	6451	496831	4.9
Notes								
Other: No Weight Avail. (\$000)		148251		17583		12508	195737	32.0
Total Imports Incl. Other(\$000)		5674392		666375		596757	7403369	30.4

EXPORTS

(1)

(1)

Annual

Rate

Y-T-D

1984

% Change

from same

Period

Last Year

Pulpwood, Roundwood (cords)	69497	4405	12781	732	11527	691	95441	37.3
Pulpwood Chips	2554176	171269	190059	14750	198036	16111	2325213	-9.0
Total All Exports	10888949	4221511	855157	349747	917628	350650	11300257	4.1
Wood Pulp, Total	3643963	1362022	273980	117138	311400	131549	3593585	-1.4
Cotton Pulp and Other Pulp	102863	69805	5350	4246	8732	6726	84883	-17.5
Waste and Old Paper	2573716	308915	272211	33122	290603	34715	3235441	25.7
Paper, Board & Products, Total	4568407	2480769	303616	195241	306893	177661	4386348	-4.6
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3984277	1717768	260571	133455	269121	124310	3818793	-4.2
Paper, Ppbd & Prod ex Cnst&WMB	4501039	2448779	298948	192560	300798	173639	4308682	-4.3
Paper & Paperboard, Only	3916910	1685778	255903	130774	263026	120289	3741127	-4.5
Paper, Total	773414	599370	64173	55184	70305	47763	810541	4.8
Newsprint	294870	127119	29331	12750	21167	8916	306197	3.8
Printing & Writing	201798	198304	15934	18994	16041	17245	203155	0.7
Uncoated Groundwood	37289	33300	2241	2186	2891	2529	30404	-18.5
Clay Coated Paper	79182	60033	6158	5439	6477	5410	85714	8.2
Uncoated Free Sheet	59125	71662	5856	8478	5412	6871	65410	10.6
Other Printing & Writing	26202	33310	1679	2890	1261	2436	21627	-17.5
Total Pkg. & Other Paper	260865	255086	17648	22126	31896	20149	284182	8.9
Unbleached Kraft	116170	43227	6463	2815	9269	4321	106710	-8.1
Other Pkg. & Indust. Paper	144695	211059	11184	19311	22647	15827	177472	22.7
Tissue	15881	18861	1260	1315	1202	1453	17008	7.1
Paperboard, Total	3143496	1086408	191730	75590	192721	72524	2930586	-6.8
Solid Wood Pulp	2993868	1016184	176468	70302	175184	67227	2761728	-7.8
Total Linerboard	2254538	575862	122871	39051	118940	39000	2052522	-9.0
Bleached Kraft Linerboard	160253	64914	10067	4154	18442	6265	141366	-11.8
Unbleached Kraft Linerbd	2094285	510948	112804	34897	100497	32735	1911156	-8.7
Other Unbleached Kraft	107141	51822	4380	2986	4209	2073	110877	3.5
Other Bleached Kraft	558431	371357	44307	27150	37438	25006	548721	-1.7
Semi-Chemical Corrugating	73758	17144	2910	1114	14599	1149	49609	-32.7
Recycled Paperboard	149628	70224	15262	5288	17537	5299	168858	12.9
Convtd Paper&Paperbd Products	584129	763001	43045	61786	37772	53350	567555	-2.8
Paper Products, Total	311722	535596	20118	42127	17926	36646	286222	-8.2
Paperboard Products, Total	272408	227406	22927	19659	19846	16705	281334	3.3
Wet Machine Board	11622	5420	930	496	1434	797	13782	18.6
Construction Paper & Board E	55746	26570	3739	2185	4661	3225	63885	14.6
Notes								
Other: No Weight Avail. (\$000)		7965		745		662	8842	11.0
Total Exports Incl. Other(\$000)		4229475		350492		351312	4533989	7.2

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1963	1964	OCT.	NOV.	DEC.	JAN.	Annual Rate Y-T-D 1964	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	298.3	299.4	298.4	297.6	297.6	6.1
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	294.2	299.4	304.5	300.0	299.6	299.6	6.2
Total Wood Pulp	347.1	395.0	399.5	398.4	392.7	383.5	383.5	4.7
Total Paper	282.3	303.2	308.0	308.2	307.1	307.0	307.0	4.4
Total Paper, exc. Newsprint	277.0	301.2	303.1	303.6	302.2	303.0	303.0	2.7
Newsprint	303.0	324.1	338.2	336.9	336.9	336.9	336.9	8.8
Total Paperboard	250.8	280.6	291.8	293.4	292.4	288.9	288.9	10.2
Total Paper and Paperboard *	272.4	296.1	302.9	303.6	302.5	301.3	301.3	6.0
Converted Products	265.4	280.7	285.8	288.1	288.0	289.0	289.0	7.3
Waste Paper	158.6	222.9	235.6	221.4	206.0	190.8	190.8	-9.8
All Commodities	303.1	310.4	309.4	310.4	309.9	309.8	309.8	0.6
Industrial Commodities	315.7	322.6	323.2	323.8	323.0	323.2	323.2	1.3

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

Paper Plus Paperboard
New Supply

	<u>Production</u>	<u>Imports</u>	<u>Exports</u>	<u>New Supply</u>	<u>Real</u> <u>GNP</u>	<u>New Supply</u> <u>to Real GNP</u>
	----- (000 Tons, Annual Rate) -----				(Bil. 1972 \$)	000T/Bil. \$
1976	55,151	7,042	3,388	58,805	1298.2	45.3
1977	56,823	7,294	3,171	60,946	1369.7	44.5
1978	58,744	8,781	3,301	64,224	1438.6	44.6
1979	61,271	8,738	3,610	66,399	1479.4	44.9
1980	61,147	8,304	5,148	64,303	1475.0	43.6
1981	62,262	7,941	4,561	65,642	1513.8	43.4
1982	59,456	7,602	4,187	62,871	1485.4	42.3
1983						
I	62,489	7,654	4,244	65,899	1491.0	44.2
II	62,895	8,643	4,726	66,812	1524.8	43.8
III	66,528	8,279	4,657	70,150	1550.2	45.3
IV	68,157	9,461	4,377	73,241	1572.7	46.6
Average	65,017	8,509	4,501	69,025	1534.7	45.0
1984						
I	68,381	9,967	4,209	74,139	1610.9	46.0
II	68,186	10,587	4,752	74,021	1638.8	45.2
III	69,913	11,389	4,461	76,841	1645.2	46.7
IV	68,246	10,360	3,812	74,794	1664.8	44.9
Year	68,681	10,575	4,309	74,947	1639.9	45.7

A good part of this increase occurred in the printing and writing paper grades. Total imports of these grades amounted to more than 2 million tons, an astonishing 77% above the 1983 level. This total was equivalent to 10% of the total new supply (production plus imports less exports) of these grades. However, imports of ground-wood papers, at 1,090,000 tons, accounted for more than half the imports total, reflecting the shift of groundwood paper production to Canadian producers.

Newsprint imports continued to be the largest single grade imported; the total of 7,894,000 tons was 14% above its 1983 level. This gain resulted in a turnaround of the share of U.S. newsprint new supply supplied by imports. The 1984 ratio was 60%, compared to 59% in 1983 and 58% in 1982.

Imports of wood pulp in 1984 also showed a strong increase, moving to 4,490,000 tons, 9.7% above the 1983 total. As the table on page 5 shows, the tonnage gains were concentrated in paper grade chemical pulp, while imports of dissolving pulp declined sharply. There was a large percentage increase in the groundwood and thermomechanical pulps but the tonnage total was only in the neighborhood of 300,000 tons.

Although exports of paper, paperboard and products rose slightly in December from the November level, the 1984 total, 4,386,000 tons, was 4% below the 1983 level. Wood pulp exports followed a similar pattern. According to the Bureau of Census the total was 3,594,000 tons, 1.4% below the comparable 1983 level. API data show that export shipments of chemical paper grade market pulp in 1984 were up by 1.7% from the 1983 level. Half these shipments went to Western Europe and the United Kingdom; 19% to Japan and 31% to other markets.

Exports of waste paper in 1984 moved counter to the general trend. At 3,235,000 tons, the total was 25.7% above its 1983 level and marked a new high for this product. Major markets were Korea and Taiwan, which accounted for 46% of the total. Japan and Mexico, the next two largest markets, took 23% of the total.

New Supply

The strong increases in production and imports, accompanied by the slight decline in exports resulted in a major increase in the new supply of paper, paperboard and products in 1984. As a result of this increase, the ratio of new supply to real GNP moved sharply upward, exceeding the levels attained in the 1976-1979 period.

The table on the bottom of page 10 summarizes these trends. It shows data on production, imports, exports and new supply of paper, paperboard and products (excluding the construction grades), together with real GNP and the ratio of new supply to real GNP for the years 1976-1982, with quarterly data for 1983 and 1984.

Sales and Earnings

Data on sales and earnings for 32 paper and allied products companies published in the press show that the dollar sales in the fourth quarter of 1984 rose 12% above the year-earlier level. These 32 companies account for over two-thirds of the sales total for all paper and allied products companies reported by the Department of Commerce in its Quarterly Financial Report.

Earnings of these 32 companies in the fourth quarter of 1984 declined about 46% from their year-ago level. This sharp decline reflected write-offs by several large companies for such purposes as restructuring operations, set asides for anticipated losses from the sale of facilities or losses on timber leases.

These write-offs had a strong impact on total 1984 after-tax profits for these companies. The gain over 1983 for the year as a whole was a respectable 33%, but the year-to-year gain in the three previous quarters had been 68%.

A similar pattern was reported by the 4 forest products companies with major paper holdings. Total sales by these companies rose 8% from the fourth quarter of 1983 to the fourth quarter of 1984, leading to an 11.5% gain in sales for 1984 as a whole. However, the fourth quarter 1984 after-tax profits for these 4 companies showed up as a loss, primarily because of a large write-off by one of the major companies in this group. Even with this write-off, the total earnings for the year gained 11% from the relatively depressed earnings of 1983.

The table below presents the summary data for the 32 paper companies and 4 forest products companies.

PAPER AND ALLIED PRODUCTS COMPANIES

SALES AND EARNINGS

	Sales			Net Profit After Taxes ^{1/}			Earnings/Sales	
	1984 (Million Dollars)	1983 (Million Dollars)	Change 84/83 %	1984 (Million Dollars)	1983 (Million Dollars)	Change 84/83 %	1984 %	1983 %
<u>32 Paper and Allied Products Companies</u>								
First Quarter	11,929	9,913	+20.3	529.1	314.9	+ 68.0	4.4	3.2
Second Quarter	12,699	10,518	+20.7	717.1	393.2	+ 82.4	5.6	3.7
Third Quarter	12,425	10,864	+14.4	690.4	443.5	+ 55.7	5.6	4.1
Fourth Quarter	12,934	11,542	+12.1	274.4 *	507.5	- 45.9 *	2.1	4.4
YEAR	49,989	42,838	+16.7	2,211.1	1,659.1	+ 33.3	4.4	3.8
<u>4 Forest Products Companies</u>								
First Quarter	3,298	2,814	+17.2	115.4	59.0	+ 95.6	3.5	2.1
Second Quarter	3,698	3,354	+10.3	198.0	131.7	+ 50.3	5.4	3.9
Third Quarter	3,668	3,299	+11.2	147.7	62.6	+136.0	4.0	1.9
Fourth Quarter	3,537	3,267	+ 8.3	-74.4	95.4	N.M.	N.M.	2.9
YEAR	14,201	12,734	+11.5	386.7	348.6	+ 10.9	2.7	2.7

1/ As published; income from current operation is used when published separately.

* Reflects write-offs by several large companies.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

Feb. 27, 1984

	PRODUCTION (000 TONS)					
	Jan. 85	Dec. 84	Jan. 84	Jan. - 85 -	Jan. 84	% Change 85/84
PAPER GRADES	P	R				
Newsprint	469	429	459	469	459	2.0
Printing & Writing	1590	1427	1533	1590	1533	3.7
Uncoated Groundwood (s)	122	113	135	122	135	-9.3
Coated Paper (s)	556	504	508	556	508	9.5
Uncoated Free Sheet Paper (s)	794	693	778	794	778	2.1
Thin Paper (s)	29	25	28	29	28	2.9
Cotton Fiber Paper (s)	12	11	12	12	12	1.7
Bleached Bristols (s)	77	81	73	77	73	5.3
Tissue Paper	403	420	406	403	406	-0.8
Total Pkg. & Other Paper	456	387	475	456	475	-4.1
Unbleached Kraft Packaging & Indl. Converting (s)	302	256	310	302	310	-2.4
Other Paper *	153	131	165	153	165	-7.4
TOTAL PAPER	2917	2663	2874	2917	2874	1.5
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1408	1230	1360	1408	1360	3.5
Unbleached Kraft Linerboard	1318	1154	1266	1318	1266	4.0
Other Unbl. Kraft Paperboard	90	77	94	90	94	-4.0
Semichemical Paperboard	417	392	431	417	431	-3.4
Bleached Paperboard	338	305	322	338	322	5.1
Recycled Paperboard	682	567	682	682	682	.0
TOTAL PAPERBOARD	2844	2495	2795	2844	2795	1.8
TOTAL PAPER AND PAPERBOARD	5762	5158	5669	5762	5669	1.7
WOOD PULP (ALL GRADES)	Dec. 84	Nov. 84	Dec. 83	Jan. - 84 -	Dec. 83	% Change 84/83
Dissolving & Special Alpha	87	101	106	1206	1262	-4.4
Bleached Sulfite	112	108	110	1359	1306	4.1
Unbleached Sulfite	18	19	23	260	310	-16.3
Bleached & Semi-Bl. Sulfate	1785	1866	1652	22343	21106	5.9
Unbleached Sulfate	1571	1652	1512	20777	19635	5.8
Semichemical	330	326	303	4100	3851	6.5
Groundwood & Thermomechanical	447	436	419	5534	5067	9.2
TOTAL PULP DIVISION DATA	4350	4508	4124	55579	52538	5.8

(s) - Shipments
P - Preliminary

R - Revised

February 28, 1985

	Full Year		INDUSTRY DATA 1984-1985			Ann. Rate Year - To - Date	% From Same Pd. Last Year
	1983	1984	R November	R December	P January		
PAPER AND PAPERBOARD -- Tons (000)						1985	
Total Production (API)..... excluding :...	65017	68681	5575	5158	5762	69139	1.7
Total Seasonally Adjusted.....construction:...			5600	5766	5828	69942	1.7
Imports (including Products)..... and wet :..E	8509	10576	909	817	896	10752	4.2
Exports (including Products)..... machine :..E	4501	4309	299	301	341	4092	1.7
Apparent Consumption..... grades :...	69025.4	74948.0	6210	6282	6383	76602.0	1.8
Paper Production & Tonnage Capacity.....	92.0	93.4	90.1	82.5	90.0	91.0gh	-
Paperboard Production & Tonnage Capacity.....	90.8	95.7	91.1	80.3	90.8	92.6g	-
IMPORTS.....Including Construction and :...	8986	11075	920	949	843	N.A.	N.A.
EXPORTS..... WMB Grades (excl. HPB) :...	4568	4386	359	304	307	N.A.	N.A.
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6834	632	580	540	N.A.	N.A.
TOTAL WOOD PULP PRODUCTION - Tons (000).....(E)....	52537	55579	4773	4508	4350	N.A.	N.A.
WOOD PULP IMPORTS - TONS (000).....	4093	4490	344	415	416	N.A.	N.A.
WOOD PULP EXPORTS - TONS (000).....	3644	3594	284	274	311	N.A.	N.A.
RAW MATERIALS CONSUMPTION - Tons (000)							
PAPER AND BOARD MILLS : excluding :			October	November	December		
Wood Pulp.....consumption for:...	50978	54216	4613	4406	4297	N.A.	N.A.
Waste Paper.....construction & :...	14696	15889	1381	1324	1208	N.A.	N.A.
TOTAL..... WMB grades :...	65674	70105	5994	5730	5505	N.A.	N.A.
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Aasn	85442	87646	7625	7153	6875	N.A.	N.A.
EMPLOYMENT (000)			November	December	January		
Paper and Allied Products.....Total.....	661.6	682.3	685.5	684.1	680.7	680.7	1.2
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	262.8	263.9	264.4	264.4	0.9
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.56	10.67	10.68	10.68	2.3
Pulp, Paper Mills.....E	11.70	12.45	12.69	12.85	12.84	12.84	3.2
Paperboard Mills.....E	12.11	12.99	13.31	13.35	13.15	13.15	1.3
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1984 Q3	1984 Q4	1985 Q1		
(Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*	6.18		7.72	8.00	8.81	8.43y	27.1
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			November	December	January		
IN PULP, PAPER :...Production Workers.....	118.0	120.0	123.5	119.0	123.0	123.0	1.3
AND BOARD MILLS.....All Employees.....	116.9	118.8	121.1	116.7	121.1	121.1	0.1
PAPER AND ALLIED PRODUCTS (Million \$)			October	November	December		
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8034	8159	8329	N.A.	N.A.
Pulp, Paper and Paperboard*.....	36346	41539	3418	3463	3634	N.A.	N.A.
Inventories (End of Period) - Total Industry*..	8729	9701	9638	9746	9701	N.A.	N.A.
Pulp, Paper and Paperboard*.....	3263	3662	3544	3588	3662	N.A.	N.A.
Sales (Corporations Only).....	65008	72332	17459	18694	18096	N.A.	N.A.
Earnings (Corporations Only).....	2327	3363	629	942	951	N.A.	N.A.
Depreciation (Corporations Only).....	2607	2797	693	699	706	N.A.	N.A.
Net Worth (Corporations Only).....	27219	28806	27617	28130	29806	N.A.	N.A.
PRICE INDEXES (Bureau of Labor Stats)1957=100			November	December	January		
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	299.4	298.4	297.8	297.8	6.1
Wood Pulp.....	347.1	395.0	398.4	392.7	383.5	383.5	4.7
Waste Paper.....	N.A.	240.1	221.4	206.0	190.8	190.8	-9.8
Paper.....	282.3	303.2	308.2	307.1	307.0	307.0	4.4
Paperboard.....	250.8	280.6	293.4	292.4	288.9	288.9	10.2
PAPER DEMAND (INDEXED: 1967=100)			November	December	January		
Total Paper Production *.....	157.2	164.3	162.9	163.3	168.7	168.7	1.5
Paper New Supply *.....	147.2	160.1	160.5	156.6	160.8	160.8	0.2
Total End - Use Index *.....	157.8	172.6	175.9	176.8	177.1	177.1	5.9
Production of Nondurable Goods *...(19%)...	168.0	179.5	179.5	180.7	180.6	180.6	3.1
Disposable Income (Constant \$) *...(23%)...	163.4	174.6	177.3	178.1	178.2	178.2	4.5
Total Printing and Publishing *...(58%)...	152.3	169.5	174.0	175.0	175.5	175.5	7.4
Trend Factor				Not Available			
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.4	150.1	145.2	153.5	151.8	151.8	1.8
Production for Domestic Use *.....	138.5	146.9	144.6	152.7	149.5	149.5	2.1
Total End - Use Index *.....	148.9	161.7	162.7	163.3	164.2	164.2	3.8
Production of Consumer Goods *...(60.49%)...	151.8	176.5	162.9	163.6	164.7	164.7	3.3
Production of Equipment *...(6.62%)...	140.8	179.0	171.2	173.4	174.3	174.3	12.5
Production of Materials *...(32.89%)...	145.2	175.9	160.5	160.7	161.3	161.3	3.0
Trend Factor				Not Available			
NEWSPRINT MARKETS			October	November	December		
Consumption by Publishers - Tons (000).....	11671	12605	1121	1145	1095	N.A.	N.A.
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	447.9	452.3	452.7	N.A.	N.A.
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	15370	15631	13673	N.A.	N.A.
WHOLESALE SALES AND INVENTORIES (Million \$)(j)							
Total Paper & Pap. Prdcts., ex Wallpaper..Sales	22776	26532	2797	2630	2436	N.A.	N.A.
Inventories (End of Period).....	1885	2341	2550	2626	2563	N.A.	N.A.
FIBRE BOX DATA (Fibre Box Association)			November	December	January		
Fibre Box Shipments (Million square feet).....	252539	248538	24872	21401	23127	277524	5.7
Container'bd Inventory at Mill & Plant(000Tons)...	2437	2823	2602	2650	2790	2790	15.9
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	108395	110397	110686	1328232	3.8
Nondurable Goods Stores Sales *.....	793398	841417	70320	71239	70829	849948	1.9
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.4	164.4	165.0	166.6	166.6	5.1
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)...	303.1	310.4	309.4	310.4	309.8	309.8	0.6
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	315.3	315.3	316.1	316.1	3.6
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...	387.9	477.0	October	November	December		
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion\$)...			455.3	463.5	477.0	N.A.	N.A.
G.N.P. or Expenditure - Current \$.....	3304.8	3664.2	1984 Q2	1984 Q3	1984 Q4		
G.N.P. or Expenditure - 1972 \$.....	1534.7	1639.9	3644.7	3694.6	3764.2	N.A.	N.A.
			1638.8	1645.2	1664.8	N.A.	N.A.

Pap&Papbd Othr Total Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 638 + 18 = 656 234.9

.E - Last month estimated by API

.e - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available # First 3 Qtrs. Annual Rate

P - Preliminary

Q - Quarter # As of the end of third Quarter.

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 3

MARCH, 1985

PAPER AND PAPERBOARD PRODUCTION: A PAUSE IN GROWTH

The seasonally adjusted rate of paper and paperboard production in the first two months of 1985 averaged 68.7 million tons per year, equalling the record-high rates of the comparable year-ago period. Paper production, at 35.0 million tons per year, was up by 1.4%; paperboard down by 1.4%. The unadjusted totals for the first two months of 1985 were below those of the comparable 1984 period, because of the extra leap year day in 1984. The two-month 1985 actual total was down 1.5%, with paper off by 0.2% and paperboard by 2.8%.

Weekly data for March suggest that the seasonally adjusted rate of production in the first quarter of 1985 was 68.1 million tons per year, about 0.2% below the first quarter 1984 rate. The unadjusted total for the first quarter of 1985 was 1.3% below 1984, with paper off by 0.2% and paperboard down by 2.4%. The trend rate of production during the first three months of 1985 has been downward, with the estimated trend position of production in March (the February-March average of the seasonally adjusted production rates) at 67.2 million tons per year.

Paper: The major sectors of strength in paper production for the first two months of 1985 have been in newsprint (up 0.5%), coated papers (up 3.8%), uncoated free sheet papers (up 0.4%) and tissue papers (up 1.9%). The strength in demand for coated papers in the first quarter reflected continued increases in use of these papers in magazine and other periodical publishing, book publishing and commercial printing. In the uncoated free sheet grades, demand was higher both in printing and bond and writing paper grades, with shipment of form bond papers retreating from the record-high rates of a year ago, probably reflecting lower inventory demand.

Continued on Page 2

The packaging and industrial grades of paper, by way of contrast, were down by 6.5%, reflecting weakness in multiwall sack papers, wrapping papers and bag and sack papers other than grocers. The January-February 1985 grocers bag and sack total held close to its year-ago level, pointing to the stable demand and the successful efforts in meeting competition from plastic sacks.

Paperboard: The 2.8% decline in the production of paperboard in the first two months of 1985 relative to its year-ago level was experienced in all grades. Declines ranged from 2.2% posted by the bleached kraft (SBS) grades to the 3.1% shown by the recycled grades.

Most of the weakness occurred in the export and non-packaging grades. Production of paperboard for export in the first two months of 1985 was at the rate of about 2 million tons per year, down 22% from its year-ago rate. Kraft linerboard production for export showed a major decline of 25.9%, with production of solid bleached paperboard for export down by 15%. Among the non-packaging grades of paperboard, production of gypsum wallboard facings was down by 12%, reflecting changes in the housing market.

Among the packaging grades, production of containerboard for domestic use (largely linerboard and semi-chemical corrugating medium) was 0.9% below its year-ago total in the first two months of 1985. This trend was consistent with the decline of 0.8% in box shipments over this same period. Inventories of containerboard at paperboard mills and fibre box plants, which had shown a sharp increase in both December 1984 and January 1985, declined in February. At the box plant level, the March 1, 1985 level of inventories was equivalent to 6.1 days of supply, compared to 5.7 days one year earlier and a high to 6.6 days of supply as of August 1, 1984. The December-January increases in inventories were largely concentrated at paperboard mills, and reflected in part newly-counted mill inventories held at outside warehouses.

Production of boxboard for domestic use held up fairly well in the first two months of 1985, with the total about 1.3% over its year-ago level. Recycled folding boxboard was particularly strong, showing a 3.5% gain, with the important clay coated sector up 3.9%. Total solid bleached folding boxboard was off by 1.3%, with the clay coated grades down by 0.7%. These 1985 rates suggest that the strong gains in usage of folding boxboard evident in 1983 and 1984 reflect permanent shifts toward use of paperboard in some major markets for these products. Among these markets are the largely non-durable goods, such as food, drugs, cosmetics, beer, soft drinks, apparel, etc. Production gains are still being recorded in these categories. (see attached Industry Data Sheet).

PAPER AND PAPERBOARD STATISTICS
 PRODUCTION, SHIPMENTS AND ORDERS
 (Thousands of Short Tons)

	YEAR 1983	1984	NOV. 1984	DEC. 1984	JAN. 1985	FEB. 1985	Annual Rate Y-T-D 1985	% Change From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	460	429	469	447	5495	0.5
- Shipments	5153	5584	466	431	457	446	5417	-0.9
Printing & Writing sum	17387	18406	1512	1427	1600	1484	18502	1.0
Groundwood Paper - Shipments	1531	1564	126	113	125	119	1366	-7.3
- New Orders	1581	1599	112	124	139	101	1440	-17.2
- Unfilled Orders	145	164	153	164	161	137	137	-13.0
Coated Papers - Shipments	5696	6227	527	504	561	498	6354	3.8
- New Orders	5864	6171	542	516	553	453	6037	-1.7
- Unfilled Orders	513	587	577	587	563	532	532	-2.4
Uncl. Free Sheet - Shipments	8767	9148	747	693	794	751	9271	0.4
- New Orders	9076	8879	733	693	778	764	9247	4.2
- Unfilled Orders	687	431	427	431	413	430	430	-31.9
Thin Papers - Shipments	328	338	26	25	29	28	341	2.9
Cotton Fiber Paper - Shipments	131	142	11	11	12	11	136	-5.0
Bleached Bristols - Production	934	989	76	81	78	77	934	3.5
Tissue Paper - Production	4789	4921	420	420	417	397	4882	1.9
Total Packaging & Other Paper	5497	5557	428	387	456	434	5337	-6.5
Unbl. Kraft Paper - Shipments	3666	3667	289	256	302	293	3573	-3.9
Other Paper - Production	1832	1889	139	131	153	141	1764	-11.4
TOTAL PAPER-Production-Unadj. *	32840	34422	2820	2663	2941	2762	34216	-0.2
-Production-S.A. *			2840	2648	2955	2882	35021	1.4
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26401	2128	1928	2152	2000	24908	-2.7
Unbl. Kraft Linerboard (1)	15001	16032	1309	1154	1316	1193	15054	-2.6
Production for Export	2281	1975	112	126	110	117	1361	-25.9
Other Unbl. Kraft Paperboard	1121	1147	82	77	90	89	1071	-5.3
Semichemical Paperboard	4731	5162	411	392	417	400	4902	-2.8
Production for Export	193	151	16	11	9	19	164	5.8
Solid Bleached Paperboard	3926	4059	326	305	328	319	3881	-2.2
Production for Export	515	470	37	37	41	29	419	-15.4
Recycled Paperboard	7398	7858	627	567	686	611	7783	-3.1
Production for Export	24	21	2	4	2	2	18	22.0
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34259	2755	2495	2837	2611	32691	-2.8
- Containerboard Prod.(Dom. Use)	19173	20930	1730	1538	1776	1602	20268	-0.9
- Boxboard Prod.(Dom. Use) (2)	5551	5908	486	435	503	484	5923	1.3
- All Other P'bd Prod.(D.U.) (2)	4441	4804	373	344	397	360	4537	-5.9
- Total Paperbd Prod. for Export	3012	2617	166	178	161	166	1963	-21.6
TOTAL PAPERBOARD PROD.- S.A. *			2760	2919	2861	2760	33726	-1.4
TOTAL PAPER AND PAPERBOARD Production - actual *	65017	68681	5575	5158	5778	5373	66907	-1.5
Production - S.A. *			5600	5766	5816	5641	68747	.0

(1) Includes all exports of kraft paperboard.

(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.

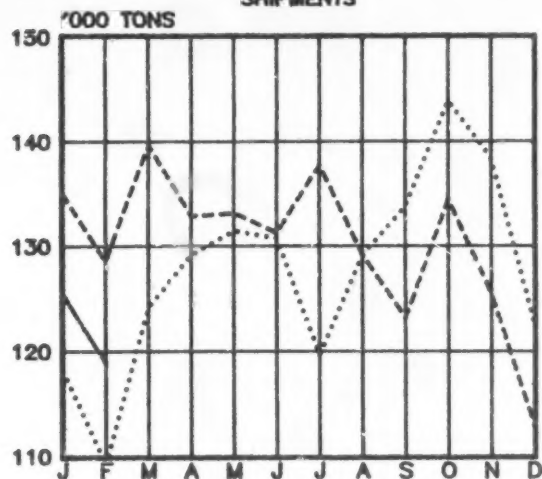
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary

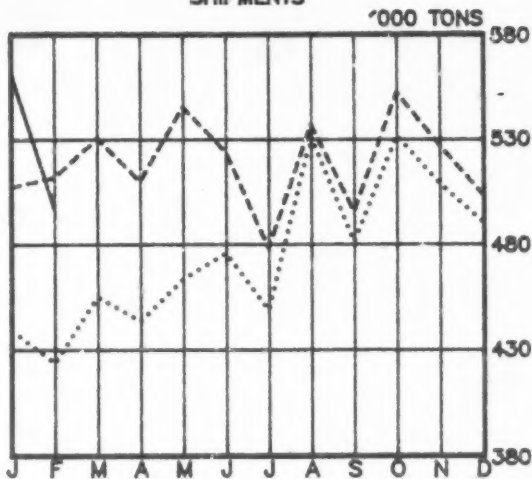
R Revised

S.A. Seasonally Adjusted

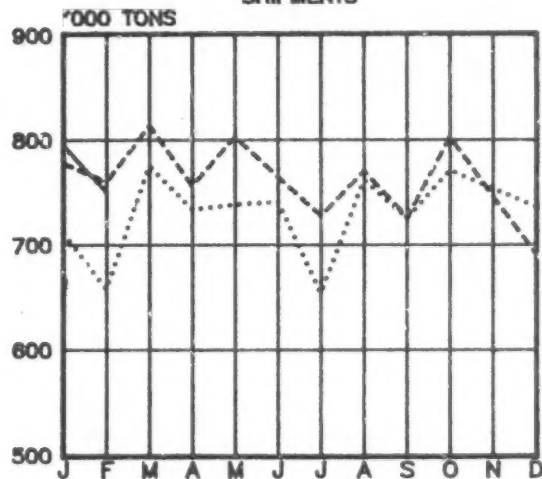
GROUNDWOOD PAPER, UNCOATED
SHIPMENTS



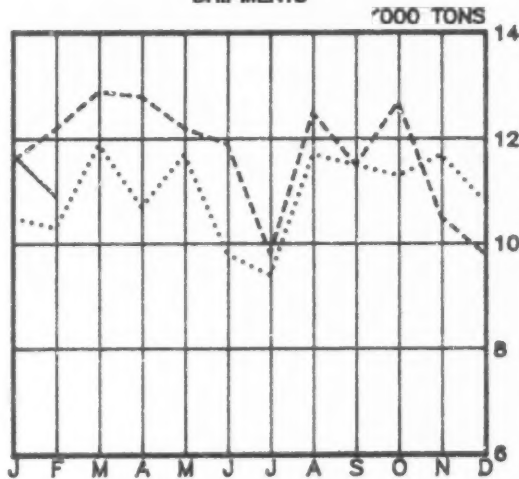
COATED PAPER
SHIPMENTS



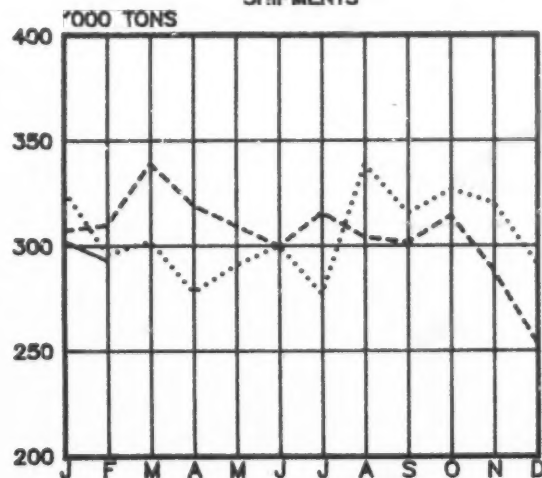
UNCOATED FREE SHEET PAPERS
SHIPMENTS



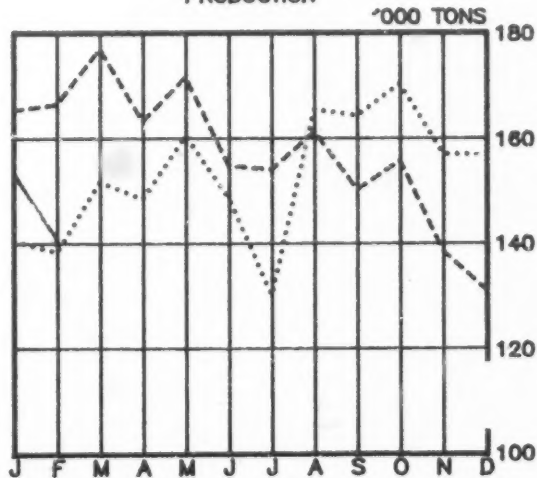
COTTON FIBER PAPER
SHIPMENTS



UNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTS



OTHER PAPER
PRODUCTION



WOOD PULP STATISTICS (Thousands of Tons)

	YEAR		OCT	NOV	DEC	JAN	Annual	% Change
	1983	1984	1984	1984	1984	1985	Rate	(From same
							Y-T-D	Period
							1985	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	52537	55549	4765	4496	4340	4595	55139	2.1
- Imports	4093	4490	344	415	416	313	3753	-7.1
- Exports	3644	3594	284	274	311	301	3610	15.9
- New Supply	52986	56445	4825	4637	4444	4607	55282	0.6
Dissolving Pulp - Production	1261	1206	103	101	87	86	1034	-11.8
- Imports	192	161	9	8	18	6	69	-61.4
- Exports	647	595	48	28	65	53	641	2.6
- New Supply	806	772	64	81	40	39	463	-36.4
Paper Grades - Production	42358	44709	3839	3632	3476	3733	44791	3.9
Chemical Pulp - Imports	3706	4023	323	359	361	300	3601	-1.2
- Exports	2958	2945	232	241	242	245	2946	19.9
- New Supply	43106	45787	3930	3750	3595	3787	45446	2.6
Groundwood and Thermo-Mech. - Production	5067	5534	462	436	447	452	5422	-2.2
- Imports	195	306	11	48	37	7	83	-63.6
- Exports	40	54	4	4	4	2	23	-32.2
- New Supply	5222	5786	469	480	480	457	5481	-4.4
Semi-Chemical - Production	3851	4100	361	326	330	324	3892	-6.9
- Imports								
- Exports								
- New Supply	3851	4100	- - - -	Included in Groundwood Pulp	- - - -	- - - -	- - - -	-6.9
			361	326	330	324	3892	
MARKET WOOD PULP								
Total Market - Production	6478	6891	635	585	548	579	6949	5.0
Wood Pulp - Imports	2945	3256	250	283	311	252	3024	9.2
- Exports	3421	3511	248	253	319	223	2676	-16.0
- New Supply	6002	6636	637	615	540	608	7298	17.7
Dissolving Pulp - Production	1260	1197	103	101	86	86	1034	-11.5
- Imports	210	204	13	11	20	10	120	-50.4
- Exports	698	690	42	52	69	27	323	-43.1
- New Supply	772	710	74	60	38	69	831	-1.4
Paper Grades - Production	5206	5680	531	483	461	492	5903	8.5
Chemical Pulp - Imports	2698	2952	229	248	272	238	2853	16.4
- Exports	2723	2821	207	201	250	196	2352	-10.2
- New Supply	5181	5812	553	530	482	534	6404	21.5
Groundwood Pulp and All Other - Production	12	13	1	1	1	1	12	42.9
- Imports	38	100	8	24	19	4	52	-32.8
- Exports	0	0	0	0	0	0	1	0.0
- New Supply	50	114	10	25	20	5	62	-26.8

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

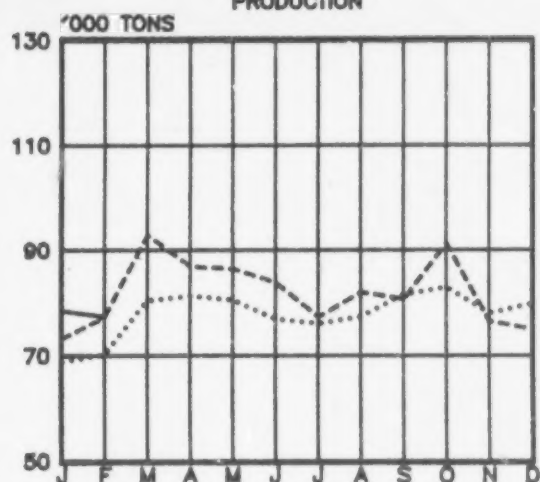
FIBROUS RAW MATERIALS (Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	67286	71348	6049	5838	5615	6052	72623	3.7
Total Wood Pulp	52590	55628	4668	4514	4407	4731	56767	4.1
Waste Paper	14696	15720	1381	1324	1208	1321	15857	7.3
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	164	161	174	166	166	8.6
Market Pulp at Pulp Mills	384	585	502	591	585	666	666	65.6
Mkt Pulp at Ppr. & Bd. Mills *	504	484	474	470	484	667	667	22.8
Waste Paper at Paper & Bd. Mills	920	1025	976	993	1025	1036	1036	14.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	34	42	50	50	50	78.6

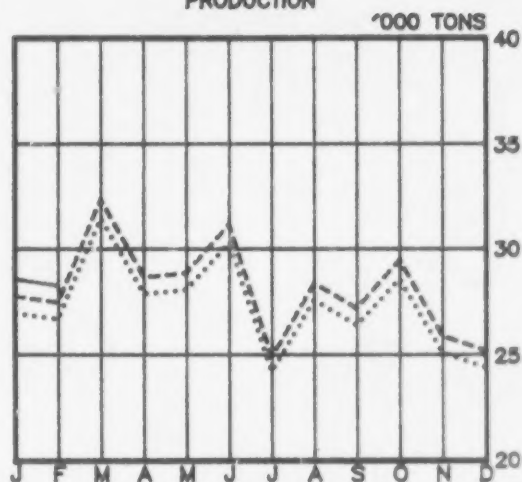
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

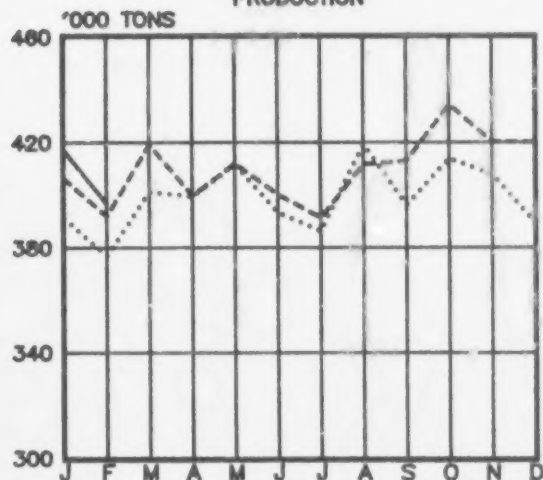
BLEACHED BRISTOLS PRODUCTION



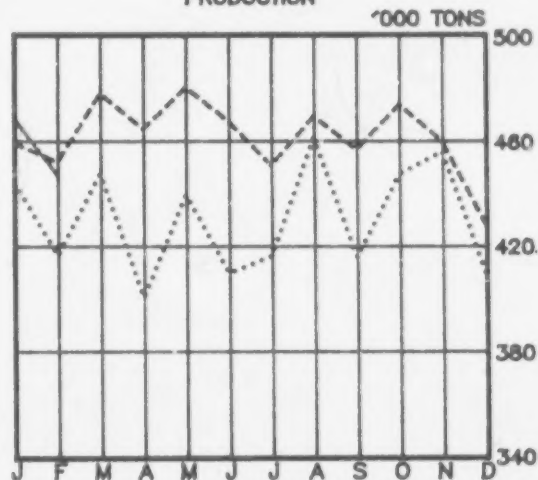
THIN PAPER PRODUCTION



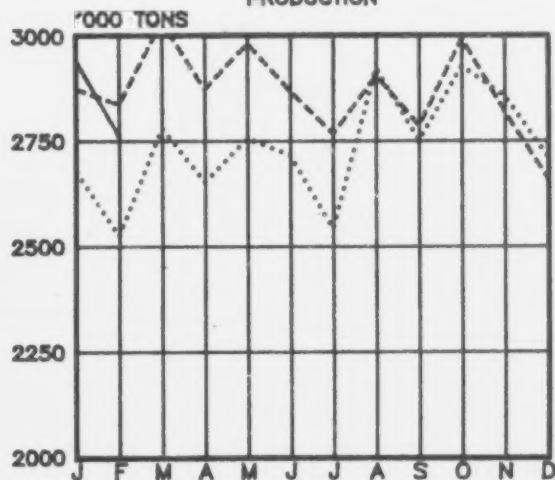
TISSUE PAPER PRODUCTION



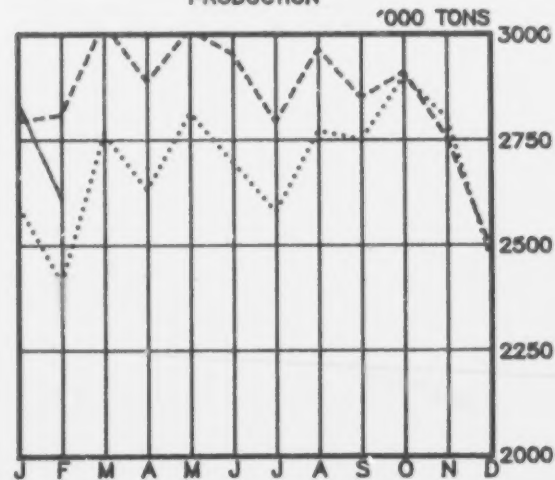
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

(Thousands of Standard (128 cubic foot) cords)									
		YEAR		OCT.	NOV.	DEC.	JAN.	Annual	% Change
		1983	1984	1984	1984	1984	1985	Rate Y-T-D	from same Period Last Year
PULPWOOD								1984	
Total U.S.	- Total Receipts	84475	88248	7971	6996	7000	7407	88884	5.2
	- Total Consumpt	85442	87646	7625	7153	6875	7413	88956	4.6
	- Residues *	32755	32072	2844	2568	2427	2425	29100	-5.1
	- Inventories	5229	5574	5475	5314	5574	5552	5552	7.4
So. Atlantic	- Total Receipts	25736	27654	2702	2372	2281	2354	29248	12.4
	- Total Consumpt	25847	27344	2549	2323	2192	2325	27900	8.1
	- Residues *	7904	8198	770	682	638	628	7534	-3.4
	- Inventories	1163	1444	1366	1333	1444	1478	1478	34.2
Northeast	- Total Receipts	7051	7435	698	611	616	690	8280	1.9
	- Total Consumpt	7274	7474	670	560	613	682	8184	0.6
	- Residues *	1199	1501	136	126	147	123	1476	16.0
	- Inventories	577	590	531	545	590	606	606	3.2
South Central	- Total Receipts	29409	30693	2627	2310	2492	2503	30036	8.6
	- Total Consumpt	29152	30502	2511	2529	2444	2571	30852	8.0
	- Residues *	9218	9059	821	749	705	747	8964	6.3
	- Inventories	1536	1304	1354	1287	1304	1186	1186	-20.7
North Central	- Total Receipts	6265	6859	572	523	513	697	8364	12.2
	- Total Consumpt	6343	6563	543	532	467	559	6708	-2.6
	- Residues *	1822	1472	119	116	91	126	1512	23.5
	- Inventories	851	906	883	848	906	1016	1016	12.1
West	- Total Receipts	16014	15607	1372	1180	1098	1163	13956	-13.5
	- Total Consumpt	16826	15763	1332	1209	1169	1276	15312	-9.0
	- Residues *	12612	11842	998	898	846	801	8612	-19.1
	- Inventories	1102	1330	1341	1301	1330	1266	1266	17.3

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

02-Apr-85

U N I T E D S T A T E S T R A D E W I T H C A N A D A
IMPORTS FROM CANADA

	YEAR 1984		DEC. 1984		JAN. 1985		Annual Rate	% Change
	Tons	\$000's	Tons	\$000's	Tons	\$000's	Y-T-D 1985	from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	207520	10591	12251	570	10768	531	129216	-6.8
Pulpwood chips	2061270	45353	129458	2981	105297	2511	1263564	-29.7
Wood Pulp, Total	4059913	1678908	341730	138877	294679	118715	3536148	-10.2
Waste Fibrous Materials, Total	151957	25187	9036	1142	2190	11927	26276	-81.3
Paper, Board & Products, Total	9401285	4048656	759989	339676	745031	333618	8940373	-3.8
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	9330954	3927255	753392	330669	739587	325367	8875038	-3.9
Paper, Paperboard & Products	8948073	3946094	736807	334210	726545	329435	8718519	-3.2
Paper & Paperboard, Only	8877742	3824684	730210	325203	721100	321184	8653204	-3.3
Paper, Total	8662094	3762205	712297	320133	710781	318317	8529367	-2.0
Newsprint	7681341	3224596	625038	272778	633702	274074	7604424	-2.5
Printing, Writing & Rel. Pap.	852879	457410	76772	40833	65170	35313	782040	-1.4
Pack. & Ind. Conv. Paper	101131	59408	6745	4043	8766	4829	105194	11.4
Special Industrial Paper	3232	5437	254	387	205	307	2467	-9.4
Tissue Paper	23512	15326	3487	2092	2937	1793	35248	242.3
Paperboard, Total	215648	62479	17913	5070	10320	2867	123836	-49.4
Convtd Paper&Paperbd Products	70331	121401	6597	9007	5445	8252	65335	7.7
Wet Machine Board	2098	1426	55	37	93	69	1115	-53.1
Construction Paper & Board	451113	101146	23128	5429	18393	4114	220720	-28.0

EXPORTS TO CANADA

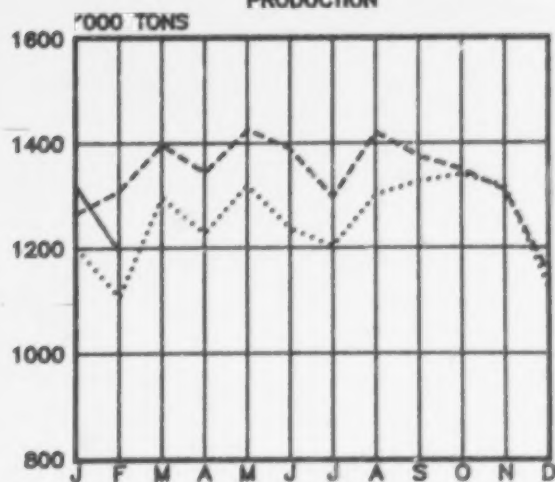
Pulpwood, Roundwood (in cords of 128 cubic feet)	95117	5698	11527	691	2548	161	30576	-27.9
Pulpwood chips	28445	1544	1401	91	3836	247	43632	376.5
Wood Pulp, Total	180850	82653	16489	7528	14055	6190	188660	-11.7
Cotton Pulp & Other Pulp	10474	6605	751	479	2470	552	29640	95.9
Waste Paper	325712	37937	20089	2277	21899	2699	262788	-11.2
Paper, Board & Products, Total	756499	524570	63809	35389	57125	43433	685496	-2.0
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	569696	358082	54152	25411	45821	31382	569854	15.5
Paper, Paperboard & Products	726888	511454	61968	34504	55160	42503	661924	-1.9
Paper & Paperboard, Only	540085	344966	52311	24526	43857	30452	526282	16.6
Paper, Total	296791	245610	28654	16997	23053	21038	276641	9.1
Newsprint	4493	3678	293	238	352	194	4226	0.7
Printing, Writing & Rel. Pap.	137839	125802	10837	9444	12203	11724	146435	0.5
Pack. & Ind. Conv. Paper	46461	26918	4288	2135	5098	2808	61178	97.1
Special Industrial Paper	104039	85328	12990	4895	5184	5998	62212	-11.4
Tissue Paper	3758	3883	246	284	216	314	2590	7.0
Paperboard, Total	243294	99357	23657	7529	20803	9414	249641	26.3
Convtd Paper&Paperbd Products	186803	166488	9657	9978	11304	12051	135642	-19.3
Wet Machine Board	5312	3707	589	451	497	379	5958	153.6
Construction Paper & Board	24299	9409	1252	435	1468	551	17615	-21.5

SOURCE: Bureau of Census, Department of Commerce.

E - Estimate of tonnage based on square foot data

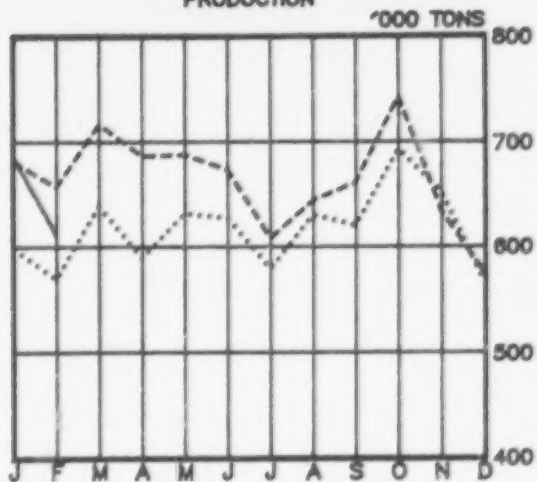
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



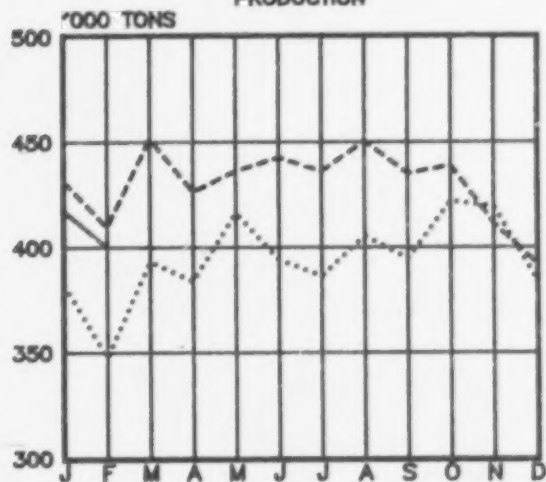
RECYCLED PAPERBOARD

PRODUCTION



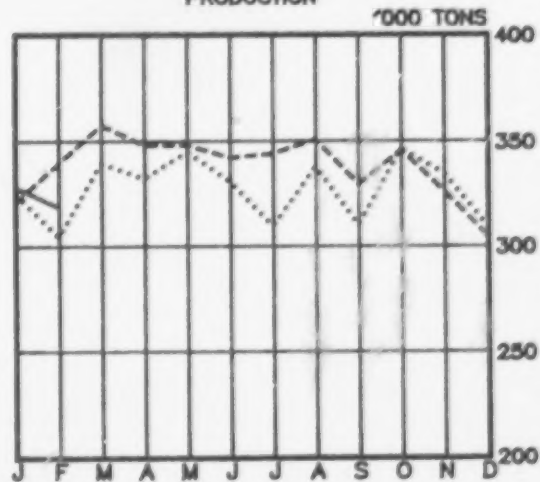
SEMICHEMICAL PAPERBOARD

PRODUCTION



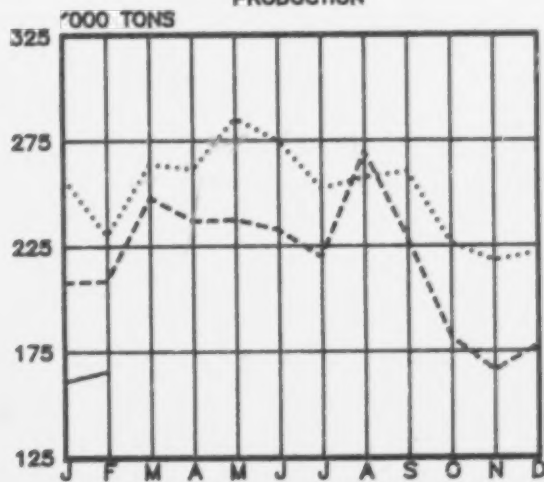
SOLID BLEACHED PAPERBOARD

PRODUCTION



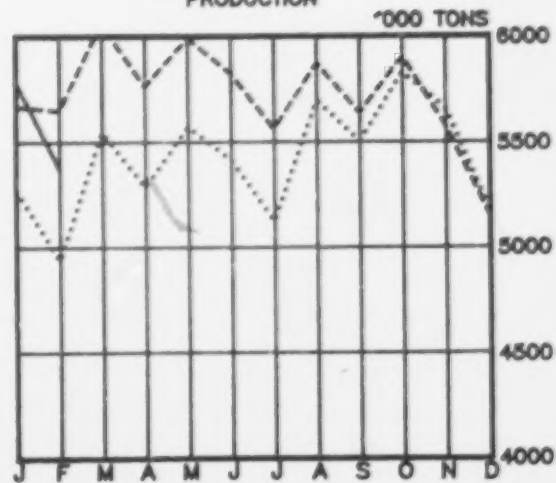
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1983 1984 ----- 1985 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 9

IMPORTS

	YEAR 1984 Tons	\$000	DEC Tons	1984 \$000	JAN Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood Roundwood (cords)	207733	10615	12251	570	10768	531	122216	-6.8
Pulpwood Chips	2062545	45296	129465	2982	105314	2511	1261768	-29.7
Total All Imports	15739471	7204351	1269216	584250	1245400	590052	14944796	0.7
Wood Pulp, Total	4490081	1844768	415679	167622	312733	125251	3752796	-7.3
Waste Paper	109712	11692	8275	912	5591	655	67092	-29.9
Other Fibrous Materials	64367	24097	2521	1257	8215	2510	98580	66.6
Paper, Board & Products Total	11075312	5323794	842742	414459	918861	461636	11026328	3.7
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	10894312	4781475	825745	377146	899368	418503	10792416	3.3
Paper, Ppbd & Prod ex Chateaub	10575656	5207697	817059	407947	895723	455852	10743676	4.2
Paper & Paperboard, Only	10354656	4665378	800062	370634	876230	412718	10514764	3.8
Paper Total	10112041	4591486	780700	364571	862879	408575	10354550	5.0
Newsprint	7893877	3299570	637211	277714	668178	291688	8018136	0.8
Printing & Writing	2042368	1168989	131114	78100	178585	106033	2143025	24.1
Uncoated Groundwood	1090049	548791	69558	36668	96894	49480	1162722	32.7
Coated Print. & Impreg. Pap.	428274	295844	37281	26030	53718	39573	644616	120.4
Uncoated Free Sheet	476950	284057	37281	13308	26171	15235	314351	-17.1
Uncoated Book	254926	156296	14310	8438	13598	7835	161175	-42.5
Writing and Similar Paper	222024	127761	7734	4870	12573	7401	150876	-30.6
Thin (excepts Cigarette)	46427	39513	2158	1997	1695	1675	20348	-64.1
Bristole	667	784	72	97	107	70	1288	81.9
Total Pkg. & Other Paper	145484	102565	8818	6588	12900	8774	154798	-7.3
Unbleached Kraft Paper	42854	19568	1716	915	3669	1476	44032	-17.9
Other Pkg. & Indust. Paper	102629	82997	7101	5673	9231	7298	110766	-2.3
Tissue	30112	20362	3557	2169	3216	2081	38592	256.5
Paperboard, Total	242615	73892	19362	6063	13351	4143	160213	-40.7
Test or Containerboard	70028	22218	5222	1754	3497	1125	41966	-41.1
Semi-Chemical Corrugating	103968	26098	10844	2769	3643	891	43717	-64.5
Other Paperboard	68620	25576	3297	1540	6211	2127	74530	-1.4
Converted Paper/Paperboard Products	221000	542319	16997	37313	19493	43134	233912	25.8
Paper Products, Total	186199	474151	14415	33055	17249	38961	206986	29.6
Paperboard Products, Total	34800	68160	2581	4258	2244	4173	26927	2.2
Wet machine Board	2826	2017	95	61	233	171	2796	-10.4
Construction Paper & Board	496830	114080	25588	6451	22905	5614	274856	-12.4
Notes								
Other: No Weight Avail. (\$000)		195737		12508		16358	196296	0.6
Total Imports Incl. Other(\$000)		7400088		596758		606410	7276918	10.1

EXPORTS

	1984 Tons	\$000	DEC Tons	1984 \$000	JAN Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (cords)	95441	5714	11527	691	2548	161	30576	-27.9
Pulpwood Chips	2325213	164058	198036	16111	185368	13413	2224416	-19.6
Total All Exports	11300450	4524778	917628	350652	942586	372092	11110227	8.1
Wood Pulp, Total	3593585	1501948	311400	131549	300818	121968	3609816	15.9
Cotton Pulp and Other Pulp	84883	63545	8732	6726	10474	5908	125688	12.8
Waste and Old Paper	3235441	408128	290603	34715	284450	32453	3413400	8.7
Paper, Board & Products, Total	4386541	2551157	306893	177662	346844	211763	4162123	1.6
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3818804	1789129	269121	124311	301853	148562	3622241	3.7
Paper, Ppbd & Prod ex Chateaub	4108873	2507184	300799	173641	340775	207853	4089234	1.7
Paper & Paperboard, Only	3741136	1745156	263027	120290	295784	144652	3549412	3.8
Paper, Total	810547	632490	70305	47763	67060	50530	804724	7.1
Newsprint	306198	133964	21167	8916	27947	11569	335362	17.5
Printing & Writing	203156	219922	16041	17246	17606	18546	211266	-0.9
Uncoated Groundwood	30405	28875	2891	2529	3391	3193	40697	72.5
Clay Coated Paper	85714	71365	6477	5410	6724	5892	80692	-20.5
Uncoated Free Sheet	65410	87255	5412	6871	6082	7323	72980	11.6
Other Printing & Writing	21627	32427	1261	2436	1408	2138	16897	-25.7
Total Pkg. & Other Paper	284185	259323	31896	20148	20775	19295	249294	3.7
Unbleached Kraft	106712	44382	9249	4321	7544	3363	90533	-12.5
Other Pkg. & Indust. Paper	177473	214941	22647	15827	13230	15932	158761	16.0
Tissue	17009	19281	1202	1453	734	1121	8802	-28.4
Paperboard, Total	2930588	1112666	192721	72527	228724	94123	2744688	2.9
Solid Wood Pulp	2761732	1040238	175184	67228	214643	86532	2575711	1.6
Total Linerboard	2052523	626716	118940	39000	154920	50801	1859045	-0.2
Bleached Kraft Linerboard	141367	57788	18442	6265	14240	7738	170879	-6.6
Unbleached Kraft Linerboard	1911155	568928	100497	32735	140681	43064	1688166	0.5
Other Unbleached Kraft	110878	51270	4209	2073	6879	3301	82547	-40.0
Other Bleached Kraft	548721	350033	37438	25006	47494	30871	569926	9.6
Semi-Chemical Corrugating	49612	12220	14599	1149	5350	1559	64194	297.4
Recycled Paperboard	168856	72427	17537	5299	14081	7591	168977	27.7
Converted Paper/Paperboard Products	567737	762028	37772	53351	44990	63200	539802	-10.4
Paper Products, Total	286403	516149	17926	36646	20012	40797	240139	-22.3
Paperboard Products, Total	281334	245879	19846	16705	24979	22404	299743	2.0
Wet Machine Board	13782	7335	1434	796	1012	580	12144	21.8
Construction Paper & Board E	63887	36638	4661	3225	5057	3330	60685	-7.0
Notes								
Other: No Weight Avail. (\$000)		8843		662		653	7835	76.5
Total Exports Incl. Other(\$000)		4533621		351314		372745	4472939	9.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estm. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	NOV.	DEC.	JAN.	FEB.	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	299.4	298.4	297.8	297.4	297.6	5.5
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	293.8	300.7	300.0	299.6	299.2	299.4	5.8
Total Wood Pulp	347.1	395.0	398.4	392.7	383.5	368.4	376.0	1.9
Total Paper	282.3	303.2	308.2	307.1	307.0	304.7	305.9	3.5
Total Paper, exc. Newsprint	277.0	301.2	303.6	302.2	303.0	299.7	301.4	1.8
Newsprint	303.0	324.1	336.9	336.9	336.9	332.4	336.7	8.1
Total Paperboard	250.8	280.6	293.4	292.4	288.9	287.8	288.4	8.5
Total Paper and Paperboard *	272.4	296.1	303.6	302.5	301.3	299.4	300.4	5.0
Converted Products	265.4	280.7	288.1	288.0	289.0	291.0	290.0	7.2
Waste Paper	158.6	240.1	221.4	206.0	190.8	192.6	191.7	-13.0
All Commodities	303.1	310.4	310.4	309.9	309.8	309.2	309.5	0.4
Industrial Commodities	315.7	322.6	323.8	323.0	323.2	322.5	322.9	1.0

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

IMPORTS OF WOOD PULP, OTHER FIBERS, PAPER, PAPERBOARD AND PRODUCTS: 1984

<u>Grade</u>	<u>1st Qtr.</u>	<u>2nd Qtr.</u>	<u>3rd Qtr.</u>	<u>4th Qtr.</u>	<u>Year</u>
-----Million Short Tons-----					
Total - All Imports	3,740	3,901	4,174	3,925	15,740
Wood Pulp	1,099	1,085	1,132	1,175	4,491
Other Fibers	43	50	43	39	174
Paper, Paperboard and Products*	2,599	2,765	2,999	2,712	11,075
Paper	2,737	2,537	2,724	2,478	10,112
Paperboard	70	56	62	55	243
Products	48	54	62	58	221
Const. & Oth.	107	119	152	122	500

* Includes construction and wet machine board grades.

Note: Data not adjusted for seasonal variations.

Imports of wood pulp, paper, paperboard and products in January 1985 held close to the December 1984 level. During the second and third quarters of last year imports were in a generally rising trend, peaking in July at a total, including waste paper and other miscellaneous fibrous materials, of 1.4 million tons. However, imports trended downward in the fourth quarter.

The table on page 10 shows the quarterly totals for the major import groups and clearly outlines the trends of the major groups during the course of the year. The table shows that wood pulp imports continued to rise throughout the year, while imports of paper, paperboard and products each peaked in the third quarter. These data are not adjusted for seasonal variations.

Imports of wood pulp fell sharply in January 1985 to 313,000 short tons, 7.3% below their year-earlier total. Paper and paperboard imports, however, were 5% over their year-ago level, with newsprint imports up to 0.8% and above the rate of 8 million tons per year (see page 9). At this rate, newsprint imports accounted for 60% of the total new supply, matching the rate for 1984 as a whole.

Imports of the printing and writing paper grades continued strong, with the January 1985 total 24% above its year-ago level. Imports of coated paper were 2.2 times their January 1984 total. The domestic coated paper producers are currently operating at full capacity; with the addition of over 900,000 tons of new coated paper capacity scheduled to come on stream during the 1985-1987 period, this strength in imports could weaken.

Imports of uncoated free sheet papers in January 1985, by way of contrast, were 37% below their year-ago level. Over 1.1 million tons of new capacity of this grade is scheduled to come on stream during the 1985-1987 period.

Bureau of Census data on exports of wood pulp, paper and paperboard showed each of these above their year-ago levels in January 1985. However, data from the API Pulp, Materials and Technology Group show wood pulp shipments for export from mills (Census data show shipments from ports of embarkation) 11% below their comparable total for the January-February 1985 period. The table on page 5 shows the January 1985 data. The API data show that 44% of total wood pulp exports went to Western European countries; 17% to Japan; 21% to the other Asian and African countries; 12% to Latin America and 6% to Canada and other countries.

New supply of paper, paperboard and products, computed from the January and February seasonally adjusted production rates and the January import and export totals, was at the rate of 75.4 million tons per year. This was equivalent to 45,100 tons per billion dollars of the estimated first quarter 1985 real GNP rate. This compares to the 1984 average of 45,700 tons per billion dollars of real GNP and the 44,800 tons average for the 1976-1979 period.

CAPITAL APPROPRIATIONS

The Conference Boards' recently released data on capital appropriations of those paper and allied products companies included in the thousand largest corporations in the United States showed the fourth quarter 1984 seasonally adjusted rate of appropriations for new plant and equipment at \$2,099 million. This marked the high of a rising trend of such appropriations to a level more than twice that of the first quarter of the year. Expenditures on new plant and equipment also rose sharply in the fourth quarter of 1984, to \$1.2 billion.

For 1984 as a whole, the seasonally adjusted appropriations totaled \$6.4 billion; cancellations of previously-approved appropriations amounted to \$0.6 billion while expenditures totaled \$3.7 billion. The closing backlog of unspent appropriations was at a 3-year high of \$6.0 billion, equivalent to nearly 5 quarters of expenditures at the fourth-quarter 1984 record-high level.

These data are roughly consistent with projections of expenditures on new plant and equipment published by the Department of Commerce for all paper and allied products companies. Commerce data indicate that these companies will increase their expenditures on new plant and equipment by 27% from 1984 to 1985, to a total of \$8.4 billion.

However, Commerce has recently revised its historical data on these expenditures on these expenditures to conform to data published in the 1977 Census of Manufactures. The published revisions of the data for the 1947-1983 period were slightly below earlier levels, suggesting that the projected 1985 level may be a little on the high side. However, the projected increase will probably hold as published, subject to the usual revisions in the reported data.

The year-to-year performance may seem stronger than it really is. The strong upward thrust during 1984 has positioned the opening quarter of 1985 at a high level. Even a flat trend of outlays during 1985 would indicate a large year-to-year increase.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

March 30, 1985

	PRODUCTION (000 TONS)					
	Feb. 85	Jan. 85	Feb. 84	Jan. 85	Feb. 84	% Change 85/84
PAPER GRADES	P	R				
Newsprint	447	469	452	916	912	0.5
Printing & Writing	1484	1600	1519	3084	3052	1.0
Uncoated Groundwood (s)	119	125	129	244	264	-7.3
Coated Paper (s)	498	561	512	1059	1020	3.8
Uncoated Free Sheet Paper (s)	751	794	761	1545	1539	0.4
Thin Paper (s)	28	29	28	57	55	2.9
Cotton Fiber Paper (s)	11	12	12	23	24	-5.0
Bleached Bristols (s)	77	78	77	156	151	3.5
Tissue Paper	397	417	392	814	798	1.9
Total Pkg & Other Paper	434	456	476	889	951	-6.5
Unbleached Kraft Packaging & Indl. Converting (s)	293	302	310	596	620	-3.9
Other Paper *	141	153	167	294	332	-11.4
TOTAL PAPER	2762	2941	2839	5703	5713	-0.2
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1281	1406	1403	2688	2764	-2.7
Unbleached Kraft Linerboard	1193	1316	1309	2509	2575	-2.6
Other Unbl. Kraft Paperboard	89	90	95	179	189	-5.3
Semichemical Paperboard	400	417	410	817	841	-2.8
Bleached Paperboard	319	328	340	647	661	-2.2
Recycled Paperboard	611	686	657	1297	1339	-3.1
TOTAL PAPERBOARD	2611	2837	2910	5448	5604	-2.8
TOTAL PAPER AND PAPERBOARD	5373	5778	5649	11151	11318	-1.5
WOOD PULP (ALL GRADES)	Jan. 85	Dec. 84	Jan. 84	Jan. 85	Jan. 84	% Change 85/84
Dissolving & Special Alpha	86	87	98	86	98	-11.8
Bleached Sulfite	121	112	108	121	108	12.0
Unbleached Sulfite	19	18	25	19	25	-24.9
Bleached & Semi-Bl. Sulfate	1923	1785	1781	1923	1781	7.9
Unbleached Sulfate	1671	1562	1678	1671	1678	-0.4
Semichemical	324	330	349	324	349	-6.9
Groundwood & Thermomechanical	452	447	462	452	462	-2.2
TOTAL PULP DIVISION DATA	4595	4340	4500	4595	4500	2.1

(s) - Shipments
P - Preliminary

R - Revised

March 30, 1985

	Full Year		INDUSTRY DATA 1984-1985			Ann. Rate Year - To - Date	% From Same Pd. Last Year
	1983	1984	R December	R January	P February		
PAPER AND PAPERBOARD -- Tons (000)						1985	
Total Production (API).....: excluding	65017	68681	5158	5778	5373	66906	-1.5
Total Seasonally Adjusted.....: construction.....			5766	5816	5641	68742	.0
Imports (including Products).....: and wet E	8509	10576	817	896	867	10578	5.3
Exports (including Products).....: machine E	4501	4309	301	341	287	3768	-4.7
Apparent Consumption.....: grades	69025 a	74948 b	5674	6333	6221	75552 c	1.0
Paper Production & Tonnage Capacity.....	92.0 g	93.4 g	82.5	90.7	95.0	93.3 gh	-
Paperboard Production & Tonnage Capacity.....	90.8 g	95.7 g	80.3	90.7	92.3	92.4 g	-
IMPORTS.....: Including Construction and	8985	11075	949	843	919	11027	3.7
EXPORTS.....: WMB Grades (excl. HPB)	4568	4387	304	307	347	4162	1.6
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6891	585	548	579	6891	5.0
TOTAL WOOD PULP PRODUCTION - Tons (000).....(E).....	52537	55549	4496	4340	4595	55549	2.1
WOOD PULP IMPORTS - TONS (000).....	4093	4490	415	416	313	4490	-7.3
WOOD PULP EXPORTS - TONS (000).....	3644	3594	274	311	301	3594	16.0
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS : excluding :			November	December	January		
Wood Pulp.....: consumption for.....	52590	55628	4514	4407	4731	55628	4.1
Waste Paper.....: construction & :.....	14696	15720	1324	1208	1321	15720	2.2
TOTAL.....: WMB grades :.....	67286	71348	5838	5615	6052	71348	3.7
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	85442	87646	7153	6875	7413	87646	3.2
EMPLOYMENT (000)			December	January	February		
Paper and Allied Products.....:Total.....	661.6	682.3	684.1	679.5	678.0	679.5	0.8
Pulp, Paper and Board Mills.....:Total.....E	258.2	263.9	263.9	263.6	262.8	263.6	0.6
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.67	10.67	10.68	10.68	4.5
Pulp, Paper Mills.....:E	11.70	12.45	12.85	12.84	12.80	12.82	5.8
Paperboard Mills.....	12.11	12.99	13.35	13.13	13.30	13.22	5.1
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS (Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*	5.92	7.15	1984 Q3 7.33	1984 Q4 7.99	1985 Q1 7.58	7.83v	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			December	January	February		
IN PULP, PAPER :...Production Workers.....	118.0	120.0	119.0	123.0	122.5	122.7	1.1
AND BOARD MILLS:..All Employees.....	116.9	118.8	116.7	121.1	120.6	120.9	-0.1
PAPER AND ALLIED PRODUCTS (Million \$)			November	December	January		
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8159	8329	8110	97320	4.7
Pulp, Paper and Paperboard*.....	36346	41539	3463	3634	3491	41892	4.3
Inventories (End of Period) - Total Industry*..	8729	9701	9746	9701	9908	9908	11.4
Pulp, Paper and Paperboard*.....	3263	3662	3588	3662	3791	3791	15.1
Sales (Corporations Only).....	65008	71891	18694	18096	17642	-	-
Earnings (Corporations Only).....	2327	3464	942	951	942	-	-
Depreciation (Corporations Only).....	2607	2798	699	706	700	-	-
Net Worth (Corporations Only).....	27219	28160	28130	28806	28160	-	-
PRICE INDEXES (Bureau of Labor Stats)1967=100			December	January	February		
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	298.4	297.8	297.4	297.6	5.5
Wood Pulp.....	347.1	395.0	392.7	383.5	368.4	376.0	1.9
Waste Paper.....	N.A.	240.1	206.0	190.8	192.6	191.7	-13.0
Paper.....	282.3	303.2	307.1	307.0	304.7	305.9	3.5
Paperboard.....	250.8	280.6	292.4	288.9	287.8	288.4	8.5
PAPER DEMAND (INDEXED: 1967=100)			December	January	February		
Total Paper Production *.....	157.2	164.3	163.3	169.5	165.3	169.5	1.4
Paper New Supply *.....	147.2	160.1	156.6	165.1	160.2	165.1	2.2
Total End - Use Index *.....	157.8	172.5	175.7	175.8	175.4	175.8	4.5
Production of Nondurable Goods *....(19%)...	168.0	179.4	179.7	179.7	179.2	179.5	1.8
Disposable Income (Constant \$) *....(23%)...	163.4	174.6	178.1	178.1	178.5	178.3	4.2
Total Printing and Publishing *....(58%)...	152.3	169.3	173.4	173.6	173.0	173.3	5.6
Trend Factor			Not Available				
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.4	150.1	153.5	150.5	145.1	150.5	-1.4
Production for Domestic Use	138.5	146.9	152.7	150.5	144.6	150.5	0.2
Total End - Use Index *.....	148.9	161.6	162.3	162.9	162.0	162.9	2.4
Production of Consumer Goods *....(60.49%)...	151.8	176.3	162.5	162.9	161.9	162.9	1.9
Production of Equipment *....(6.62%)...	140.8	179.0	173.1	173.2	173.2	173.2	11.4
Production of Materials *....(32.89%)...	145.2	175.8	159.9	160.3	159.9	160.9	1.5
Trend Factor			Not Available				
NEWSPRINT MARKETS			November	December	January		
Consumption by Publishers - Tons (000).....	11671	12611	1145	1101	969	12611	3.7
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	452.3	452.7	450.3	450.3	3.3
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	15631	13673	9261	55563	3.7
WHOLESALESALES AND INVENTORIES (Million \$)(j)							
Total Paper & Pap. Prdcts., ex Wallpaper..Sales	22776	26532	2913	2623	2805	16830	16.6
Inventories (End of Period).....	1885	2341	2801	2724	2782	2782	19.8
FIBRE BOX DATA (Fibre Box Association)			December	January	February		
Fibre Box Shipments (Million square feet).....	252539	248538	21135	22927	20151	258468	-1.1
Container'bd Inventory at Mill & Plant(000Tons).	2437	2982	2650	2970	2959	2959	20.0
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	110397	110972	112736	223708	5.4
Nondurable Goods Stores Sales *.....	793398	841417	71239	70350	71422	141772	2.5
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.3	164.8	165.5	164.7	165.1	3.7
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)...	303.1	310.4	310.4	309.8	309.2	309.5	0.4
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	315.3	316.1	317.4	316.8	3.5
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...	387.9	461.0	November 447.8	December 461.0	January 464.9	461.0	15.6
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion\$)...			1984 Q3	1984 Q4	1985 Q1		
G.N.P. or Expenditure - Current \$.....	3304.8	3664.2	3694.6	3764.2	3819.9	3819.9	7.5
G.N.P. or Expenditure - 1972 \$.....	1534.7	1639.9	1645.2	1664.8	1668	1668.0	3.5

Pap&Pabpd Othr Totl Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 638 + 18 = 656 234.9

.E - Last month estimated by API

.e - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data: standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

As of the end of third Quarter.

Paper Paperboard & Wood Pulp

A2500-2

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 4

APRIL, 1985

PAPER AND PAPERBOARD PRODUCTION: FIRST QUARTER 1985

Production of paper and paperboard in the first quarter of 1985, adjusted for seasonal and workday variations, was at an annual rate of 68.1 million tons, about the same as the rate of the previous quarter and 0.3% below that of the year-ago quarter.

Although the average is the same as in the preceding quarter, the trend of paper and paperboard production during the first quarter of 1985 was clearly downward, moving from a January 1985 trend position (average of the current and previous month's seasonally adjusted rates) of 69.5 million tons per year to 67.3 million tons per year in March. Data available for the first two weeks of April indicate a continuation of the downtrend, with trend position estimated at 66 million tons per year.

Paperboard: The decline was largely concentrated in paperboard. The first quarter's seasonally adjusted rate of production averaged 33.6 million tons per year, 1.2% below the year-ago quarter and 0.8% below that of the previous quarter.

The weakness in paperboard production was largely limited to the "All Other" grades and production for export. Production of both containerboard and boxboard for domestic use in that quarter was slightly above the comparable year-ago rates. Production of paperboard for export, however, fell sharply, with the first quarter 1985 total some 20% below that of the year-earlier quarter. Production of the "All Other" grades of paperboard for domestic use was down 6.1%, reflecting a 15% decline in production of gypsum wallboard facings, a 4.6% decline in production of tube, can and drum stock made from recyclable materials and an 11% decline in production of can, drum and core stock made from kraft paperboard.

The stability in containerboard production for domestic use despite a decline of 6.1% in shipments of corrugated shipping containers, resulted in an increase in inventories of containerboard at both mills and boxplants. Inventories at both mills and boxplants as of April 1, 1985, amounted to 2.99 million tons, equivalent to 8.1 weeks of supply compared with

continued on page 2

2.96 million tons on March 1, equivalent to 7.9 weeks of supply. A particularly high level of inventories at containerboard mills, reported at 562 thousand tons, accounts for the advance.

These relatively high mill inventory levels, resulted in rather widespread shutdowns of kraft linerboard machines during April. Published reports from individual companies indicate that many of these machines will be back into operation before the end of April.

Production of boxboard for domestic use in the first quarter of 1985 was 0.4% ahead of the comparable year-ago total. Total folding boxboard production in that period was 1.0% above that of the year-ago quarter, with production for export up 2.0% and production for domestic use up 1.0%. A somewhat different pattern was evident in the production of milk carton and food service board: the total was down 4.3%, with production for export down 15% and production for domestic use down 1.3%.

Paper : Production of paper held up fairly well in the first quarter of 1985, and preliminary data indicate some strengthening in production in April. Total production for the first quarter of 1985 was at the seasonally adjusted rate of 34.5 million tons per year, 0.6% above that of both the year-ago and the previous quarter's rate. Production of the printing paper grades also followed a flat trend during the first three months of this year, with the total 0.8% above its year-ago level. Total incoming orders for coated papers and uncoated groundwood papers was 7% below the shipments total, bringing the unfilled order backlog for these two grades 22% below their year-end 1984 total and 17% below the year-ago totals. (These data are shown in the table on page 3.) New orders for uncoated free sheet papers in the first quarter of 1985 were above the shipments total, bringing the unfilled order backlog up 6% from the 1984 year-end level, but still 28% below that of the end of the first quarter of 1984. Data available for the first two weeks of April indicate a turn-around in the rate of incoming orders for uncoated groundwood paper and a further increase in orders for uncoated free sheet paper. Coated paper new orders held steady.

Part of the relative strength in the output of uncoated free sheet papers may have been a reflection of a declining trend in imports of these grades. In the first two months of 1985 (latest available data), imports of uncoated free sheet paper were at an annual rate of 301 thousand tons, 40% below that of the year-earlier period and 37% below the average rate of these imports for all of 1984. However, imports of coated

PAPER AND PAPERBOARD STATISTICS

Page 3

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

	1983	1984	DEC. 1984	JAN. 1985	FEB. 1985	MAR. 1985	Annual Rate Y-T-D 1985	% Change From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	429	469	447	489	5618	1.0
- Shipments	5153	5584	431	457	446	477	5518	-2.2
Printing & Writing sum	17387	18406	1427	1600	1484	1628	18845	0.8
Groundwood Paper - Shipments	1531	1564	113	125	119	135	1518	-5.9
- New Orders	1581	1599	124	139	101	124	1456	-14.8
- Unfilled Orders	145	164	164	161	140	130	130	-17.1
Coated Papers - Shipments	5696	6227	504	561	498	535	6377	2.8
- New Orders	5864	6171	516	553	454	468	5898	-6.3
- Unfilled Orders	513	587	587	560	520	452	452	-17.1
Unctd Free Sheet - Shipments	8767	9148	693	794	751	820	9461	0.5
- New Orders	9076	8879	693	778	764	855	9584	3.9
- Unfilled Orders	687	431	431	413	425	456	456	-27.8
Thin Papers - Shipments	328	338	25	29	28	33	361	2.9
Cotton Fiber Paper - Shipments	131	142	11	12	11	11	134	-9.0
Bleached Bristol - Production	934	989	81	78	77	93	994	2.1
Tissue Paper - Production	4789	4921	420	416	392	430	4953	1.7
Total Packaging & Other Paper	5497	5557	387	456	433	455	5379	-8.4
Unbl. Kraft Paper - Shipments	3666	3667	256	302	293	296	3564	-7.1
Other Paper - Production	1832	1889	131	154	140	160	1815	-10.9
TOTAL PAPER-Production-Unadj. *	32840	34422	2663	2941	2757	3001	34794	-0.6
-Production-S.A. *			2848	2955	2877	2791	34488	0.6
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26401	1928	2152	2002	2284	25749	-2.1
Unbl. Kraft Linerboard (1)	15001	16032	1154	1316	1193	1401	15642	-1.5
Production for Export	2281	1975	126	110	130	138	1509	-24.0
Other Unbl. Kraft Paperboard	1121	1147	77	90	90	103	1132	-3.8
Semichemical Paperboard	4731	5162	392	417	400	430	4991	-3.4
Production for Export	193	151	11	9	19	11	154	-3.1
Solid Bleached Paperboard	3926	4059	305	328	318	350	3984	-2.2
Production for Export	515	470	37	41	29	40	440	-12.3
Recycled Paperboard	7398	7858	567	686	613	693	7967	-3.1
Production for Export	24	21	4	2	2	1	17	6.9
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34259	2495	2837	2615	2976	33716	-2.4
- Containerboard Prod.(Dom. Use)	19173	20930	1538	1776	1591	1855	20890	0.1
- Boxboard Prod.(Dom. Use) (2)	5551	5908	435	503	484	524	6043	0.4
- All Other P'bd Prod.(D.U.) (2)	4441	4804	344	397	361	408	4663	-6.1
- Total Paperbd Prod. for Export	3012	2617	178	161	179	190	2120	-20.3
TOTAL PAPERBOARD PROD.- S.A. *			2919	2861	2764	2779	33618	-1.2
TOTAL PAPER AND PAPERBOARD								
Production - actual *	65017	68681	5158	5778	5372	5978	68510	-1.5
Production - S.A. *			5766	5816	5640	5570	68106	-0.3

(1)Includes all exports of kraft paperboard.

(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.

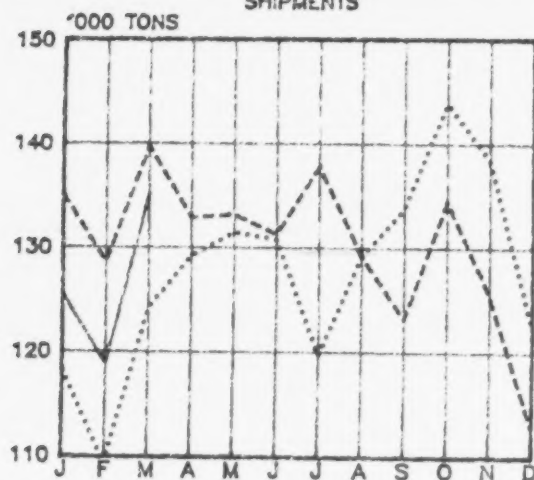
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary

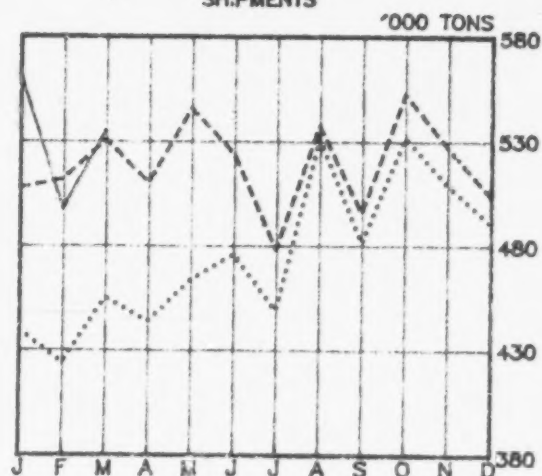
R Revised

S.A. Seasonally Adjusted

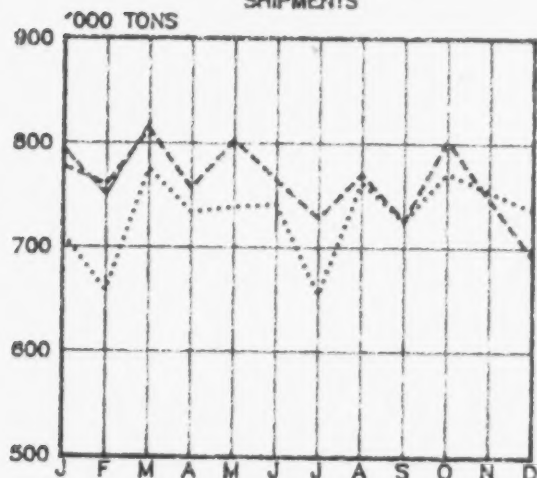
GROUNDWOOD PAPER, UNCOATED SHIPMENTS



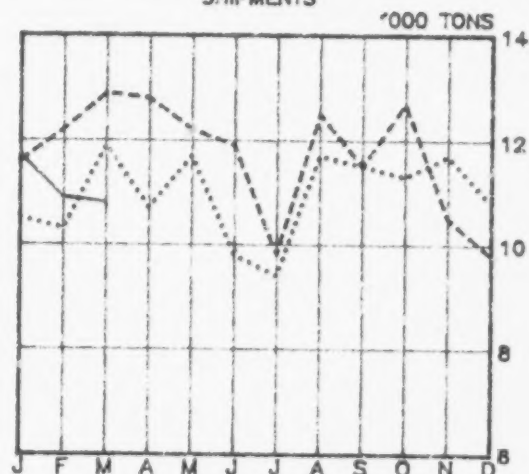
COATED PAPER SHIPMENTS



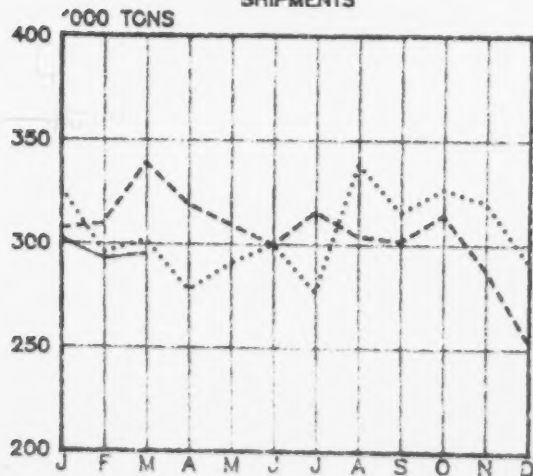
UNCOATED FREE SHEET PAPERS SHIPMENTS



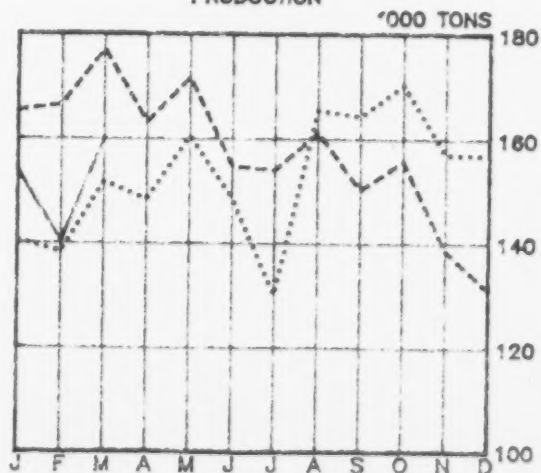
COTTON FIBER PAPER SHIPMENTS



UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER SHIPMENTS



OTHER PAPER PRODUCTION



1983 1984 ----- 1985 ———

WOOD PULP STATISTICS (Thousands of Tons)

	YEAR		NOV	DEC	JAN	FEB	Annual Rate Y-T-D	% Change from same Period Last Year
	1983	1984	1984	1984	1985	1985	1985	
TOTAL WOOD PULP								
Total Wood Pulp - Production	52537	55549	4496	4340	R 4595	P 4359	53723	-0.8
- Imports	4093	4490	415	416	313	380	4159	-8.5
- Exports	3644	3594	274	311	301	223	3140	-9.3
- New Supply	52986	56445	4637	4444	4607	4517	54742	-0.9
Dissolving Pulp - Production	1261	1206	101	87	86	118	1223	0.2
- Imports	192	161	0	18	6	22	167	3.6
- Exports	647	595	28	65	53	39	554	2.1
- New Supply	806	772	81	40	39	101	835	-0.3
Paper Grades - Production	42358	44709	3632	3476	3716	3485	43204	-0.5
Chemical Pulp - Imports	3706	4023	359	361	300	333	3797	-7.4
- Exports	2958	2945	241	242	245	179	2545	-12.1
- New Supply	43106	45787	3750	3595	3770	3639	44456	-0.4
Groundwood and Thermo-Rech. - Production	5067	5534	436	447	452	432	5301	-3.5
- Imports	195	306	48	37	7	26	196	-30.7
- Exports	40	54	4	4	2	5	41	74.5
- New Supply	5222	5786	480	480	457	452	5455	-5.2
Semi-Chemical - Production	3851	4100	326	330	341	325	3995	-1.1
- Imports								
- Exports								
- New Supply	3851	4100	326	330	341	325	3995	-1.1
- - - - - Included in Groundwood Pulp - - - - -								
MARKET WOOD PULP								
Total Market Wood Pulp - Production	4478	6891	585	548	579	588	7004	5.7
- Imports	2945	3256	283	311	252	232	2982	-4.2
- Exports	3621	3511	253	319	223	301	3145	-10.7
- New Supply	4002	4635	615	540	608	519	6761	10.3
Dissolving Pulp - Production	1260	1197	101	86	86	118	1223	0.6
- Imports	210	204	11	20	10	21	185	-6.2
- Exports	698	690	52	69	27	64	547	-7.9
- New Supply	772	710	60	38	69	75	863	5.1
Paper Grades - Production	5206	5680	483	461	492	469	5765	6.8
Chemical Pulp - Imports	2698	2952	248	272	238	209	2680	-2.5
- Exports	2723	2821	201	250	196	237	2598	-11.2
- New Supply	5181	5812	530	482	534	441	5848	12.0
Groundwood Pulp and All Other - Production	12	13	1	1	1	1	14	50.0
- Imports	38	100	24	19	4	2	36	-55.6
- Exports	0	0	0	0	0	0	1	0.0
- New Supply	49	113	25	20	5	3	50	-44.7

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

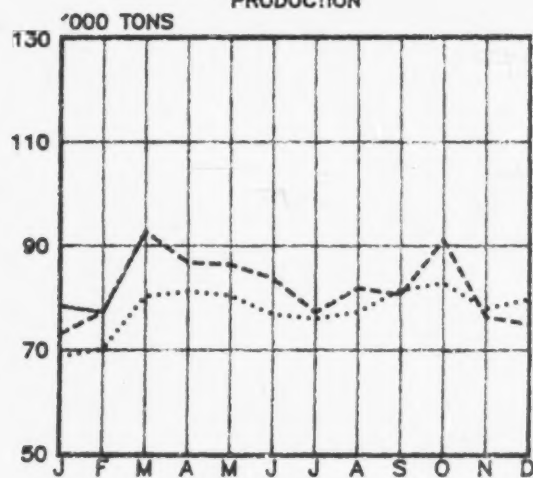
FIBROUS RAW MATERIALS (Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	66130	70530	5737	5827	5820	5455	67633	-2.4
Total Wood Pulp	51434	54641	4436	4314	4466	4249	52287	-2.8
Waste Paper	14696	15889	1300	1513	1355	1206	15366	-1.3
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	161	174	165	171	171	19.0
Market Pulp at Pulp Mills	384	585	591	585	666	694	694	97.7
Mkt Pulp at Ppr. & Bd. Mills *	550	484	497	484	471	482	482	-16.5
Waste Paper at Paper & Bd. Mills	920	1025	993	1025	1036	1003	1003	9.8
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	42	50	50	48	48	108.7

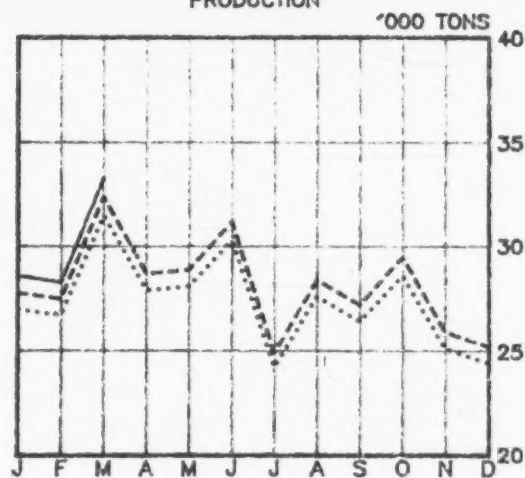
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

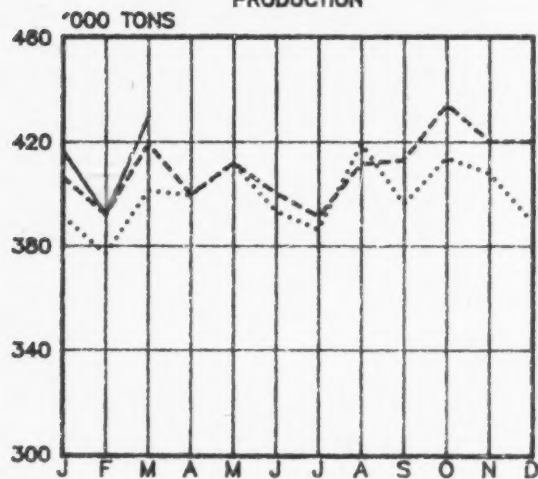
BLEACHED BRISTOLS PRODUCTION



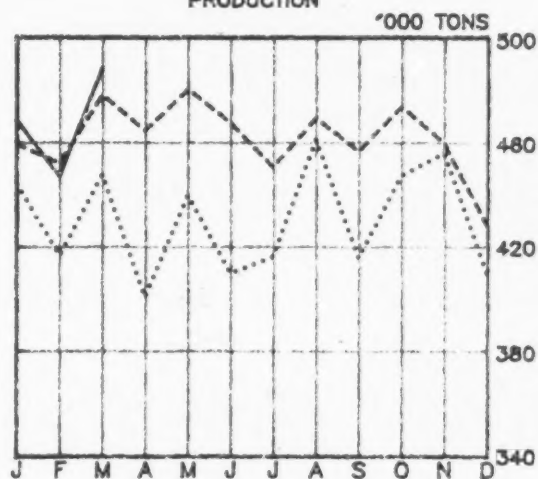
THIN PAPER PRODUCTION



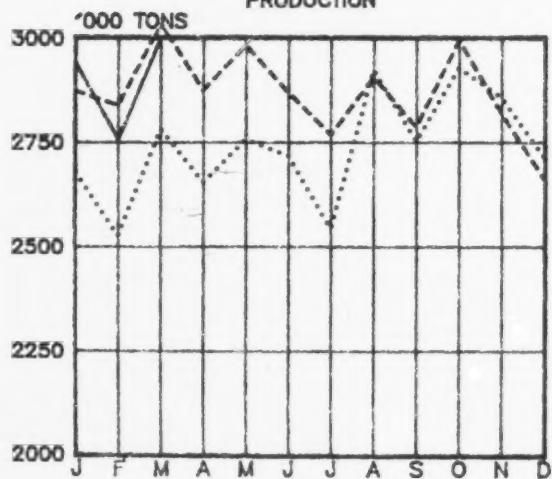
TISSUE PAPER PRODUCTION



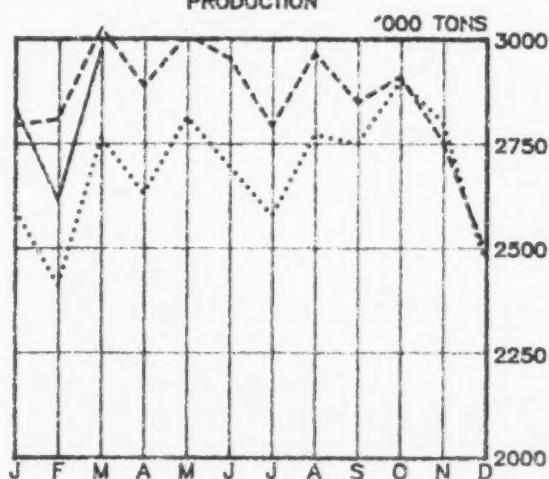
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1983 1984 ----- 1985 ———

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

		YEAR	1984	NOV.	DEC.	JAN.	FEB.	Annual	% Change
		1983	1984	1984	1984	1985	1985	Rate	from same
								Y-T-D	Period
								1985	Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88248	6996	7000	7407	6999	86436	-0.5
	- Total Consumpt	85442	87646	7153	6875	7413	6981	86364	-0.6
	- Residues *	32755	32072	2571	2427	2425	2407	28992	-10.0
	- Inventories	5229	5574	5314	5574	5552	5453	5453	5.0
So. Atlantic	- Total Receipts	25736	27654	2372	2281	2354	2312	27996	8.6
	- Total Consumpt	25847	27344	2323	2282	2325	2270	27570	4.7
	- Residues *	7904	8198	682	638	628	710	8028	0.2
	- Inventories	1163	1444	1333	1444	1478	1450	1450	37.8
Northeast	- Total Receipts	7051	7435	611	616	690	640	7980	-1.1
	- Total Consumpt	7274	7474	560	613	682	628	7860	-0.8
	- Residues *	1199	1501	126	147	123	121	1464	10.9
	- Inventories	577	590	545	590	606	664	664	6.9
South Central	- Total Receipts	29409	30693	2310	2492	2503	2353	29136	1.4
	- Total Consumpt	29152	30502	2529	2444	2571	2439	30060	3.0
	- Residues *	9218	9059	749	705	747	749	8976	2.5
	- Inventories	1536	1304	1287	1304	1186	1022	1022	-29.8
North Central	- Total Receipts	6265	6859	523	513	697	596	7758	-1.2
	- Total Consumpt	6343	6563	532	467	559	500	6354	-5.1
	- Residues *	1822	1472	116	91	126	102	1368	-8.1
	- Inventories	851	906	848	906	1016	1064	1064	7.8
West	- Total Receipts	16014	15607	1180	1098	1163	1098	13566	-17.4
	- Total Consumpt	16826	15763	1209	1169	1276	1144	14520	-13.3
	- Residues *	12612	11842	898	846	801	725	9156	-27.5
	- Inventories	1102	1330	1301	1330	1266	1253	1253	16.3

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

26-Apr-85

U N I T E D S T A T E S T R A D E W I T H C A N A D A
IMPORTS FROM CANADA

		YEAR	1984	JAN.	1985	FEB.	1985	Annual	% Change
		Tons	\$000's	Tons	\$000's	Tons	\$000's	Rate	from same
								Y-T-D	Period
								1985	Last Year
Pulpwood, Roundwood	(in cords of 128 cubic feet)	207520	10591	10768	531	4352	198	90720	-38.4
Pulpwood chips		2061270	45351	105227	2511	82677	2547	1162844	-53.7
Wood Pulp, Total		4059913	1678908	294679	118715	362944	136010	3945738	-6.6
Waste Fibrous Materials, Total		151957	25187	11927	2190	11394	2016	139924	-10.8
Paper, Board & Products, Total		9401285	4048656	745031	333618	775727	343876	9124546	.0
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.		9130954	3927255	719587	325167	770298	334810	9059105	.0
Paper, Paperboard & Products		8948073	3946084	726545	329435	742886	336841	8816585	0.5
Paper & Paperboard, Only		8877742	3824684	721100	321184	737457	327795	8751344	0.5
Paper, Total		8662094	3762205	710781	318317	724302	324058	8610493	1.9
Newsprint		7681341	3224596	633702	276074	646049	281413	7678506	1.4
Printing, Writing & Rel. Pap.		852879	457438	65170	35313	65503	34671	784038	3.9
Pack. & Ind. Conv. Paper		101131	59408	8766	4829	7713	4553	98872	-9.6
Special Industrial Paper		2322	5437	205	307	165	240	2222	-33.2
Tissue Paper		23512	15326	2937	1793	4872	3182	46855	314.8
Paperboard, Total		215648	62479	10320	2867	13156	3737	140851	-45.6
Convtd Paper&Paperbd Products		70331	121401	5445	8252	5429	9046	65240	1.5
Wet Machine Board		2098	1426	93	69	66	44	952	-65.3
Construction Paper & Board		451113	101146	18393	4114	32775	6991	307009	-11.6

Pulpwood, Roundwood	(in cords of 128 cubic feet)	95117	5698	2548	161	1330	71	23268	-37.5
Pulpwood chips		28445	1544	3636	247	3840	304	44856	203.2
Wood Pulp, Total		180850	82653	14055	6190	23496	9550	228306	33.0
Cotton Pulp & Other Pulp		10474	6605	2470	552	875	515	20070	52.3
Waste Paper		325712	37937	21899	2699	18381	2329	241680	-18.7
Paper, Board & Products, Total		756499	524570	57125	43433	61540	42324	711989	-0.9
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.		569696	358082	45821	31382	45983	30719	550826	10.9
Paper, Paperboard & Products		726888	511454	55160	42503	59473	41426	687800	-1.0
Paper & Paperboard, Only		540085	344966	43857	30452	43916	29821	526637	11.4
Paper, Total		296791	245610	23053	21038	24947	21738	288005	2.2
Newsprint		4493	3678	352	194	198	203	3298	-27.6
Printing, Writing & Rel. Pap.		137839	125802	12203	11724	13266	12373	152811	8.4
Pack. & Ind. Conv. Paper		4661	26918	5098	2808	4556	2236	57926	56.5
Special Industrial Paper		104039	85328	5184	5958	6759	6691	71662	-25.4
Tissue Paper		3758	3883	216	314	169	235	2308	-27.5
Paperboard, Total		243294	99357	20803	9414	18969	8083	238633	25.0
Convtd Paper&Paperbd Products		186803	166488	11304	12051	15557	11604	161163	-27.4
Wet Machine Board		5312	3707	497	379	495	336	5950	117.5
Construction Paper & Board		24299	9459	1468	551	1572	563	18239	-13.6

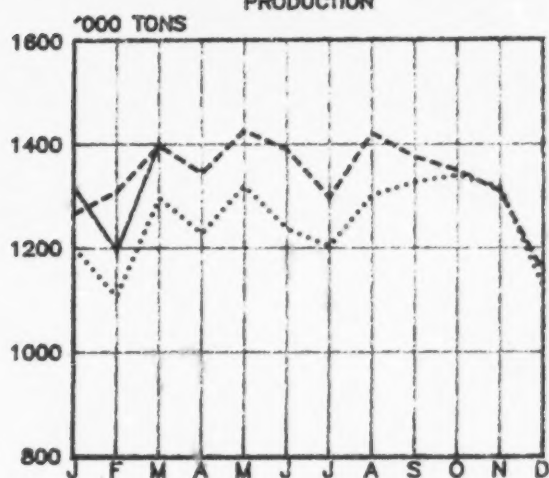
SOURCE: Bureau of Census, Department of Commerce.

E - Estimate of tonnage based on square foot data

26-Apr-85

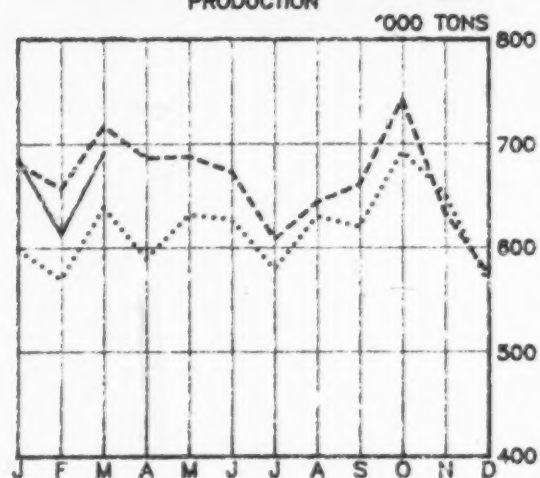
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



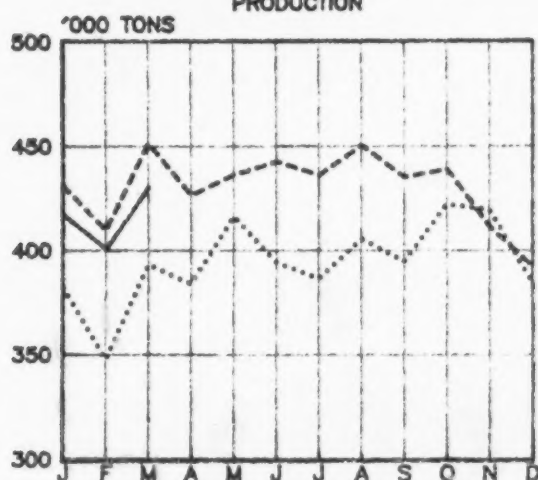
RECYCLED PAPERBOARD

PRODUCTION



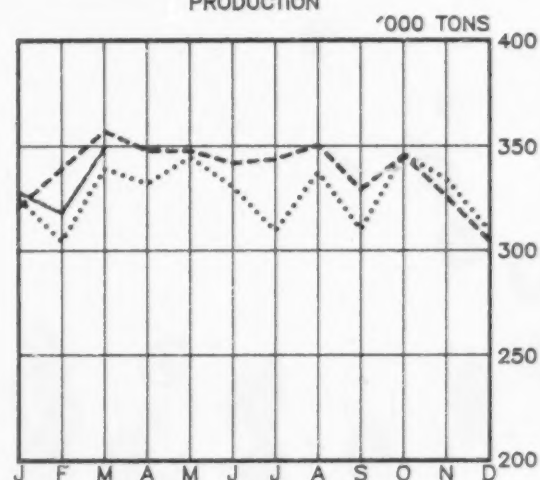
SEMICHEMICAL PAPERBOARD

PRODUCTION



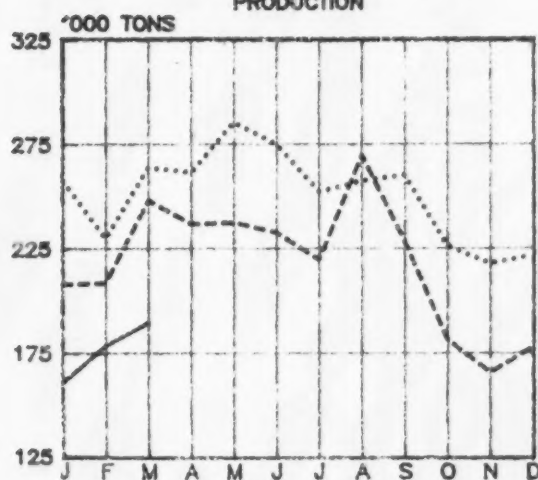
SOLID BLEACHED PAPERBOARD

PRODUCTION



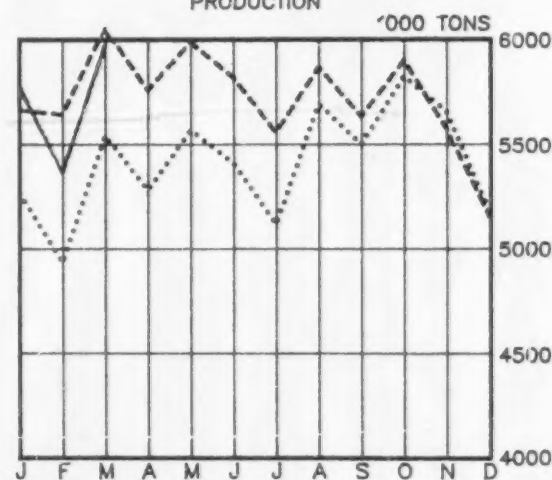
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1983 1984 ----- 1985 ———

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 9

IMPORTS

	YEAR 1984 Tons	1984 \$000	JAN 1985 Tons	1985 \$000	FEB 1985 Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (cords)	307733	10615	10768	531	4377	200	90870	-38.3
Pulpwood Chips	2062542	45396	105314	2513	89695	2550	1170054	-53.7
Total All Imports	15739471	7204351	1245400	590052	1297281	591162	15256081	0.7
Wood Pulp, Total	4490081	1844768	312733	125251	380467	141143	4159200	-8.5
Waste Paper	109712	11692	5591	655	6953	795	75264	-27.3
Other Fibrous Materials	64367	24097	8215	2510	5918	1976	84797	26.6
Paper, Board & Products, Total	11075312	5323794	918861	461636	903943	447248	10936820	4.8
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	10854312	4781475	899368	418503	885278	403080	10707878	4.6
Paper, Ppbd & Prds ex Cnstr&WB	10575456	5207697	895723	455852	866855	438529	10575466	5.2
Paper & Paperboard, Only	10354656	4665378	876230	412718	848190	394361	10346524	5.0
Paper, Total	10112041	4591486	862879	408575	831504	389500	10166302	6.2
Newsprint	7893877	3299570	668179	291688	658698	286212	7961256	3.3
Printing & Writing	2042358	1168989	178585	106033	156310	91797	2009374	19.1
Uncoated Groundwood	1090049	548791	96894	49480	82496	41574	1076339	25.3
Coated Print. & Impreg. Pap.	428274	295844	53718	39573	48068	34594	1076339	125.8
Uncoated Free Sheet	476950	284057	26171	15235	24101	13844	301631	-39.6
Uncoated Book	254926	156296	13598	7835	11731	6884	151973	-44.2
Writing and Similar Paper	222024	127761	12573	7401	12370	6960	149658	-34.0
Thin (except Cigarette)	46427	39513	1696	1675	1565	1676	19562	-66.3
Bristols	667	784	107	70	80	108	1126	41.1
Total Pkg. & Other Paper	145484	102565	12900	8774	11330	8105	145376	-13.7
Unbleached Kraft Paper	42854	19568	3669	1476	3191	1375	41164	-38.7
Other Pkg. & Indust. Paper	102629	82997	9231	7298	8138	6731	104213	2.8
Tissue	30312	20362	3216	2081	5167	3386	50296	303.2
Paperboard, Total	242615	73892	13351	4143	16686	4861	180223	-36.0
Test or Containerboard	70028	22218	3497	1125	4251	1501	46489	-40.8
Semi-Chemical Corrugating	103968	26098	3643	891	5594	1236	55421	-58.1
Other Paperboard	68620	25576	6211	2127	6841	2124	78313	10.4
Convtd Paper&Paperbd Products	221000	542319	19493	43134	18664	44168	228942	18.1
Paper Products, Total	186199	474151	17249	38961	17254	41149	207015	23.0
Paperboard Products, Total	34800	68168	2244	4173	1411	3019	21927	-14.5
Wet machine Board	2826	2017	233	171	167	115	2400	-34.9
Construction Paper & Board	496830	114080	22905	5614	36921	8604	358954	-5.9
Notes								
Other: No Weight Avail. (\$000)		195737		16358		14704	186373	1.5
Total Imports Incl. Other(\$000)		7400088		606410		605866	7273656	8.1

EXPORTS

	1984 Tons	1984 \$000	JAN 1985 Tons	1985 \$000	FEB 1985 Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (cords)	95441	5714	2548	161	1330	71	23268	-40.6
Pulpwood Chips	2125212	164058	185368	13413	173489	13544	2153142	-1.4
Total All Exports	11300450	4524778	942586	372092	775985	295057	10311422	-2.4
Wood Pulp, Total	3593585	1501940	300818	121968	222598	84335	3140496	-9.3
Cotton Pulp and Other Pulp	84883	63545	10474	5908	6215	4505	100134	-11.0
Waste and Old Paper	3235441	408128	284450	32453	254232	29753	3232092	9.3
Paper, Board & Products, Total	4386541	2551157	346844	211763	292940	176505	3838700	-4.8
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3818804	1789129	301853	148562	248159	124697	3300071	-3.3
Paper, Ppbd & Prod ex Cnstr&WB	4308873	2507184	340775	207853	286901	172943	3766052	-4.8
Paper & Paperboard, Only	3741136	1745156	295784	144652	242120	121135	3227424	-3.2
Paper, Total	810547	632490	67060	50530	72681	54337	838450	11.5
Newsprint	306198	133964	27947	11569	30285	11690	349388	28.6
Printing & Writing	203156	219922	17606	18546	19321	20049	221558	5.5
Uncoated Groundwood	30405	28875	3391	3193	3222	2726	39682	63.4
Clay Coated Paper	85714	71365	6724	5892	6505	5477	79374	-20.8
Uncoated Free Sheet	65410	87255	6082	7323	7921	9561	84014	28.5
Other Printing & Writing	21627	32427	1408	2138	1673	2305	18488	-8.7
Total Pkg. & Other Paper	284185	259323	20775	19295	21377	20276	252911	-1.7
Unbleached Kraft	106712	44382	7544	3363	6040	2998	81505	-18.2
Other Pkg. & Indust. Paper	177473	214941	13230	15932	15338	17278	171407	8.7
Tissue	17009	19281	734	1121	1699	2302	14593	13.4
Paperboard, Total	2930588	1112666	228724	94123	169438	66798	2388974	-7.5
Solid Wood Pulp	2761732	1040239	214643	86532	143952	58828	2151567	-12.7
Total Linerboard	2052523	626716	154920	50801	100834	31870	1534526	-13.9
Unbleached Kraft Linerboard	141367	57788	14240	7738	7726	3763	131795	-32.0
Other Unbleached Kraft	1911155	568928	140681	43064	93108	28107	1402732	-11.7
Other Bleached Kraft	110878	51270	6879	3301	3955	1913	65005	-35.3
Semi-Chemical Corrugating	548721	350033	47494	30871	36978	24381	506828	-10.2
Recycled Paperboard	49612	12220	5350	1559	2185	664	45208	140.0
Convtd Paper&Paperbd Products	168856	72427	14081	7591	25486	7971	237407	101.7
Paper Products, Total	567737	762028	44990	63200	44781	51808	538628	-13.3
Paperboard Products, Total	286403	516149	20012	40797	22191	33801	253214	-21.3
Paperboard Products, Total	281334	245879	24979	22404	22591	18007	285415	-4.7
Wet Machine Board	13782	7335	1012	580	1180	621	13150	23.9
Construction Paper & Board	63887	36638	5057	3330	4859	2940	59497	-10.3
Notes								
Other: No Weight Avail. (\$000)		8943		653		453	6632	19.0
Total Exports Incl. Other(\$000)		4533621		372745		295550	4009768	-3.3

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	DEC.	JAN.	FEB.	MAR.	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	298.4	297.8	297.4	295.4	296.9	4.5
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	293.8	300.0	299.6	299.2	297.5	298.8	4.8
Total Wood Pulp	347.1	395.0	392.7	383.5	368.4	353.9	368.6	-0.7
Total Paper	282.3	303.2	307.1	307.0	304.7	303.7	305.1	2.9
Total Paper, exc. Newsprint	277.0	301.2	302.2	303.0	299.7	298.4	300.4	1.1
Newsprint	303.0	324.1	336.9	336.9	332.4	332.4	333.9	7.1
Total Paperboard	250.8	280.6	292.4	288.9	287.8	285.7	287.5	7.1
Total Paper and Paperboard *	272.4	296.1	302.5	301.3	299.4	298.1	299.6	4.1
Converted Products	265.4	280.7	288.0	289.0	291.0	290.4	290.1	6.5
Waste Paper	158.6	240.1	206.0	190.8	192.6	170.2	184.5	-19.0
All Commodities	303.1	310.4	309.9	309.8	309.2	308.7	309.2	.0
Industrial Commodities	315.7	322.6	323.0	323.2	322.3	322.6	322.8	0.7

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

continued from page 11

Expenditures on New Plant and Equipment
by Paper and Allied Products Companies

	Revised Data (billion dollars)	Original Data (billion dollars)	Revised Constant Dollar Data (billion dollars, 1972 prices)
1974	2.88	2.89	2.52
5	2.93	2.98	2.22
6	2.99	3.11	2.15
7	3.48	3.60	2.38
8	3.80	3.99	2.42
9	5.24	5.55	3.06
1980	6.52	6.80	3.53
1	6.11	6.72	3.08
2	5.60	5.97	2.73
3	5.92	6.18	2.87
4	7.15	7.42	3.40

continued on page 12

papers in the January-February 1985 period were 126% above those of the first two months of 1984, and the rate of imports, at 611 thousand tons per year, compared with 428 thousand tons imported in all of 1984

CAPITAL EXPENDITURES

Newly-revised data on expenditures for new plant and equipment by paper and allied companies show the 1984 rate at \$7.15 billion and the estimated 1985 rate at \$7.83 billion; earlier reports put the 1984 total at \$7.42 billion and the 1985 estimate at \$8.43 billion.

These data were reported by the Bureau of Economic Analysis of the Department of Commerce, based on its regular sample survey of all corporations in the United States. This downward revision was the result of a realignment to benchmark data to the results of the 1972 Census of Manufactures. This new benchmark indicated that their previous estimates of expenditures on new plant and equipment by paper and allied products companies for most of the years since 1972 were somewhat on the high side. The current lower estimates are more in line, but still above, the levels indicated by the American Paper Institute's own studies on capital expenditures for the production of paper and allied products.

The lower table on page 10 presents both the original and revised data on new plant and equipment expenditures by paper and allied products companies published by the BEA for the years 1974 through 1984. The table also shows the new BEA constant dollar figures for this period. This latter column highlights the impact of increases in capital goods prices on capital expenditures by these companies. It shows, for example, that after price adjustments, the 1984 level of expenditures was 35% ahead of that of 1974, compared to a 148% increase in current dollar expenditures.

IMPORTS AND EXPORTS

Total tonnage imports of paper, paperboard and products in the first two months of 1985 were 4.8% above the comparable year-ago figures, as show in the table on page 9. This rate is slightly above that reached in the fourth quarter of 1984. Imports of wood pulp, however, were down a bit, with the two-month 1985 total 8.5% below that of a year ago. The total value of imports in the first two months of 1985 were at an annual rate of \$7.3 billion, 8.1% above the comparable 1984 total.

Exports of paper, paperboard and products showed a somewhat different trend, with the January and February tonnage total 4.8% below that of a year ago and the total of all exports including waste paper, down 2.4%. Exports of waste paper continued strong, showing a 9% increase in the first two months of 1985 over the comparable 1984 total.

The dollar rate of exports in the first two months of 1985 was \$4.0 billion per year, 3.3% below the comparable year-ago figure.

WOOD PULP

Production of chemical paper grade market wood pulp in the first three months of 1985 was 4.5% above the comparable 1984 total. Shipments of these grades, however, were down by 6.4% as inventories at market pulp mills more than doubled (see page 5). The decline in shipments extended to both the domestic and export markets: domestic shipments dropped 10%, export shipments 3%. However, within the export total, there was a 20% increase in export shipments to "other" markets, which are all markets excluding Western Europe and Japan. Shipments to Western Europe fell by 12%, shipments to Japan by 16%.

Production of all paper grade wood pulp in the January February 1985 periods was within 1% of the comparable year-ago total.

SALES AND EARNINGS

Data published in the press on sales and earnings of 32 paper companies indicate that total sales of these companies in the first quarter of 1985 was 1.0% above the comparable 1984 level. Total earnings for these companies were up by 2.9%, with a 4.4% margin on sales in this period. The first quarter 1984 margin on sales for these companies was 4.3%.

Although the first quarter 1985 sales figures showed a small gain over the year ago level, they represented a 7% decline from the depressed levels of the fourth quarter of 1984. Large write-offs were taken by some of the major companies in the fourth quarter.

The total sales of these companies were equivalent to nearly 70% of the sales total reported by the Bureau of the Census. The attached industry data sheets show the sales, earnings, depreciation and net worth data for paper and allied products companies for the last three quarters of 1984 and the year 1984 as a whole, as reported in the Census report. The \$493 million figure on the earnings for the fourth quarter of 1984 represents a correction from the figure published previously, as does the \$3,015 million earnings total for 1984.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

April 30, 1985

	PRODUCTION (000 TONS)						% Change 85/84
	Mar. 85	Feb. 85	Mar. 84	Jan. 85	- 84	Mar. 84	
PAPER GRADES	P	R					
Newsprint	489	447	478	1404		1390	1.0
Printing & Writing	1628	1484	1623	4711		4675	0.8
Uncoated Groundwood (s)	135	119	140	380		403	-5.9
Coated Paper (s)	535	498	531	1594		1551	2.8
Uncoated Free Sheet Paper (s)	820	751	814	2365		2353	0.5
Thin Paper (s)	33	28	32	90		88	2.9
Cotton Fiber Paper (s)	11	11	13	33		37	-9.0
Bleached Bristols (s)	93	77	93	249		243	2.1
Tissue Paper	430	392	419	1238		1218	1.7
Total Pkg & Other Paper	455	433	516	1345		1468	-8.4
Unbleached Kraft Packaging & Indl. Converting (s)	296	293	339	891		959	-7.1
Other Paper *	160	140	177	454		509	-10.9
TOTAL PAPER	3001	2757	3037	8699		8750	-0.6
PAPERBOARD GRADES							
Unbleached Kraft Paperboard	1504	1283	1502	4193		4266	-1.7
Unbleached Kraft Linerboard	1401	1193	1397	3910		3972	-1.5
Other Unbl. Kraft Paperboard	103	90	106	283		294	-3.8
Semichemical Paperboard	430	400	452	1248		1292	-3.4
Bleached Paperboard	350	318	358	996		1019	-2.2
Recycled Paperboard	693	613	717	1992		2056	-3.1
TOTAL PAPERBOARD	2976	2615	3029	8429		8633	-2.4
TOTAL PAPER AND PAPERBOARD	5978	5372	6066	17127		17383	-1.5
WOOD PULP (ALL GRADES)	Feb. 85	Jan. 85	Feb. 84	Jan. 85	- 84	Feb. 84	% Change 85/84
Dissolving & Special Alpha	118	86	106	204		203	0.2
Bleached Sulfite	102	121	105	223		213	4.7
Unbleached Sulfite	18	19	24	36		49	-26.1
Bleached & Semi-Bl. Sulfate	1803	1923	1822	3726		3604	3.4
Unbleached Sulfate	1562	1654	1693	3216		3371	-4.6
Semichemical	325	341	325	666		674	-1.1
Groundwood & Thermomechanical	432	452	454	884		916	-3.5
TOTAL PULP DIVISION DATA	4359	4595	4529	8954		9029	-0.8

(s) - Shipments
P - Preliminary

R - Revised

April 31, 1985

April 31, 1985	Full Year		INDUSTRY DATA 1984-1985			Ann. Rate Year - To - Date	% From Same Pd. Last Year
	1983	1984	R January	R February	P March	1985	
PAPER AND PAPERBOARD -- Tons (000)							
Total Production (API).....excluding :...	65017	68681	5778	5372	5978	68510	-1.5
Total Seasonally Adjusted.....construction:			5816	5640	5570	68106	-0.3
Imports (including Products): and wet :..E	8509	10576	896	867	1046	11234	12.7
Exports (including Products): machine :..E	4501	4309	341	287	355	3934	-6.5
Apparent Consumption.....grades :...	69025.4	74948.8	6333	6220.4	6260	75407.3	1.8
Paper Production & Tonnage Capacity.....	92.09	93.49	90.7	94.9	93.4	93.39h	-
Paperboard Production & Tonnage Capacity.....	90.89	95.79	90.7	92.5	95.4	93.59	-
IMPORTS.....Including Construction and :...							
EXPORTS.....WMB Grades (excl. HPB) :...	4568	4387	307	347	293	3838	-4.8
MARKET WOOD PULP PRODUCTION - Tons (000).....							
TOTAL WOOD PULP PRODUCTION - Tons (000).....(f)....	52537	55549	4340	4595	4359	53724	-0.8
WOOD PULP IMPORTS - TONS (000).....	4093	4490	416	313	380	4158	-8.5
WOOD PULP EXPORTS - TONS (000).....	3644	3594	311	301	223	3144	-9.2
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS : excluding :							
Wood Pulp.....consumption for:....	51434	54641	4314	4466	4249	52287	-2.8
Waste Paper.....construction & :....	14696	15889	1513	1355	1206	15366	-1.3
TOTAL.....WMB grades :.....	66130	70530	5827	5820	5455	67653	-2.4
PULPMOOD CONSUMPTION Corded(000)Amer.Pulpwd. Assn	83608	87646	5875	7413	6981	86364	-0.6
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....	661.6	682.3	679.5	678.0	679.4	679.0	0.7
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	263.6	262.7	262.9	263.1	0.5
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.67	10.68	10.69	10.68	4.4
Pulp, Paper Mills.....E	11.70	12.45	12.84	12.80	12.82	12.82	5.8
Paperboard Mills.....E	12.11	12.99	13.13	13.10	13.20	13.21	4.7
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS							
(Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*	5.92	7.15	7.33	7.99	7.58	7.83y	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....							
IN PULP, PAPER :...Production Workers :....	118.0	120.0	123.6	120.9	119.3	121.3	.0
AND BOARD MILLS:..All Employees.....	116.9	118.8	121.9	119.0	117.6	119.5	-1.0
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8329	8110	8072	97092	4.1
Pulp, Paper and Paperboard*.....	36346	41539	3634	3491	3523	42084	4.0
Inventories (End of Period) - Total Industry*..	8729	9701	9701	9908	9857	9857	10.6
Pulp, Paper and Paperboard*.....	3263	3662	3662	3791	3773	3773	14.6
Sales (Corporations Only).....	65008	71891	18694	18096	17642	-	-
Earnings (Corporations Only).....	2327	3015	942	951	493	-	-
Depreciation (Corporations Only).....	2607	2798	699	706	700	-	-
Net Worth (Corporations Only).....	27219	29160	28130	28806	28160	-	-
PRICE INDEXES (Bureau of Labor Stats)1967=100							
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	297.8	297.4	295.4	296.9	4.5
Wood Pulp.....	347.1	395.0	383.5	368.4	353.9	368.6	-0.7
Waste Paper.....	N.A.	240.1	190.8	192.6	170.2	184.5	-19.0
Paper.....	282.3	303.2	307.0	304.7	303.7	305.1	2.9
Paperboard.....	250.8	280.6	288.9	287.8	285.7	287.5	7.1
PAPER DEMAND (INDEXED: 1967=100)							
Total Paper Production *.....	157.2	164.3	169.4	165.0	160.0	164.8	0.6
Paper New Supply *.....	147.2	160.1	165.1	160.0	164.0	163.0	3.5
Total End - Use Index *.....	157.8	172.5	176.6	176.8	176.8	176.7	5.0
Production of Nondurable Goods *... (19%)	168.0	179.4	179.7	179.1	179.5	179.4	1.6
Disposable Income (Constant \$) *... (23%)	163.4	174.6	178.1	178.5	178.5	178.4	4.1
Total Printing and Publishing *... (58%)	152.3	169.4	175.0	175.3	175.3	175.2	6.5
Trend Factor							
Not Available							
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.4	150.1	150.5	145.3	146.2	147.3	-1.2
Production for Domestic Use *.....	138.5	146.9	149.1	135.8	155.3	146.7	0.7
Total End - Use Index *.....	148.9	161.6	162.5	161.7	162.1	162.1	1.9
Production of Consumer Goods *... (60.4%)	151.8	161.6	162.5	161.1	161.3	161.6	1.2
Production of Equipment *... (6.62%)	140.8	164.0	172.9	172.9	173.0	172.9	11.0
Production of Materials *... (32.89%)	145.2	161.1	160.5	160.6	161.3	160.8	1.3
Trend Factor							
Not Available							
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000).....	11671	12611	1101	969	941	11460	0.3
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	452.7	450.3	450.9	450.6	3.2
PRINTING AND PINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	13673	9261	11852	126674	5.0
WHOLESALES SALES AND INVENTORIES (Million \$)(j)							
Total Paper & Pap. Prods., ex Wallpaper..Sales	22776	26532	2623	2805	2595	32400	11.3
Inventories (End of Period).....	1885	2341	2724	2782	2852	2852	18.8
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet).....	252539	248538	22927	20151	21708	259144	-3.8
Container'bd Inventory at Mill & Plant(000Tons).	2437	2882	2970	2959	2969	2969	21.3
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	110972	112736	110541	1336996	5.7
Nondurable Goods Stores Sales *.....	793398	841417	70350	71422	70229	848004	2.5
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.3	165.2	164.9	165.4	165.2	3.4
PRODUCER PRICES(ALL COMMODITIES)(INDEX 1967=100)...	303.1	310.4	309.8	309.2	308.7	309.2	.0
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	316.1	317.4	318.8	317.4	3.5
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...							
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion\$)...	387.9	461.0	447.8	461.0	464.9	464.9	15.5
G.N.P. or Expenditure - Current \$.....							
G.N.P. or Expenditure - 1972 \$.....	3304.8	3664.2	3694.6	3764.2	3819.9	3819.9	7.5
lb/capita	1534.7	1639.9	1645.2	1664.8	1668.0	1668.0	1.5

PapsPapbd Othr Totl Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 638 + 18 = 656 234.9

.E - Last month estimated by API

.e - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 5

MAY, 1985

PAPER AND PAPERBOARD PRODUCTION -- JANUARY-APRIL 1985

Production of paper in April 1985 continued to follow the declining trend evident since February. The trend position in April (average of the March-April seasonally adjusted rates) was 33.4 million tons per year, 4.7% below the February trend rate. The January-April 1985 total, however, was only 1.3% below the comparable 1984 rate and, if the extra leap-year day in the 1984 period is taken into account, it falls only 0.5% below the 1984 rate.

Paperboard production, however, fell off sharply in April as many kraft linerboard mills shut down to bring their inventories more closely in line with output. The trend level of production in April was at the rate of 31.7 million tons per year, 8.5% below the peak rate of 34.7 million tons per year reached in January. The January-April 1985 total was 3.7% below that of the first four months of 1984.

Total paper and paperboard has been in a downtrend since January. The April trend position was 65.1 million tons per year, 5.4% below the January rate. Total production for the January-April 1985 period average 67.0 million tons per year (seasonally adjusted), 1.7% below the comparable 1984 rate.

Weekly data for May indicate that the trends of both paper and paperboard production are bottoming out. Both paper and paperboard production moved above their respective lows reached in mid-April, although the recovery in paperboard was rather modest.

Paper: Within the paper sector, the major strengths continued in the printing-writing paper grades. Shipments of both coated papers and uncoated free sheet papers -- the two largest in this group -- showed gains over their year-ago levels, as did shipments of thin papers. These increases were large enough to offset declines in the other printing-writing

continued on page 2

paper grades, and the total showed a 0.8% increase over its year-ago total even before adjusting for the extra day in 1984. New orders for uncoated free sheet paper have been above shipments for several months, but new orders of coated paper have been below shipments.

The trends in the printing-writing papers were consistent with those evident in the printing and publishing industry. The Federal Reserve Board index of total printing and publishing production showed gains over its year-ago rate in the first three months of 1984. The preliminary estimate for April 1985 was 1.2% above the April 1984 level (seasonally adjusted), but 0.6% below that of March 1985. First quarter 1985 data on shipments of white papers to their major markets show gains over year-ago levels for magazines, other periodicals, commercial printing and office reprographics.

Tissue paper production also held up well in the first four months of 1985, posting a small gain over its year-ago level, but packaging papers and industrial grades were off sharply. Both the kraft paper and the "other paper" categories showed 10% declines from their year-earlier totals.

Technical note: The 1984 data for the printing and writing paper grades have been revised on the basis of the Printing-Writing Paper Division's annual review of its statistics. The new 1984 total is 84,000 tons higher than previously indicated, reflecting 22,000 tons of coated papers and 59,000 tons of uncoated free sheet papers, with minor adjustments in the other grades. This brought total paper production in 1984 to 34,506,000 tons, 5.1% above the 1983 level.

Paperboard: The April decline in paperboard production, as noted earlier, was largest in unbleached kraft paperboard. The April 1985 total was 10% below that of April 1984, bringing the four months 1985 total 3.9% below the total for the first four months of 1984. Although April production for domestic use was far below its year-ago level, total production of kraft linerboard for domestic use in the first four months of 1985 was only 0.7% below its corresponding year ago level. Shipments of corrugated boxes in April moved above their year-ago level, bringing the four months total to a rate of 262 billion square feet per year, 2.3% below its year-ago rate. Total production of containerboard for domestic use (this includes recycled

continued on page 10

PAPER AND PAPERBOARD STATISTICS

Page 3

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

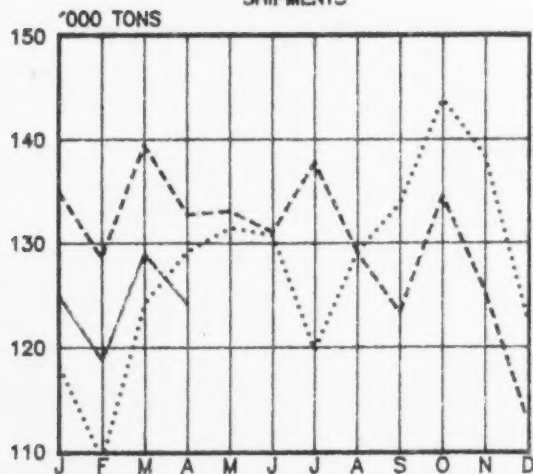
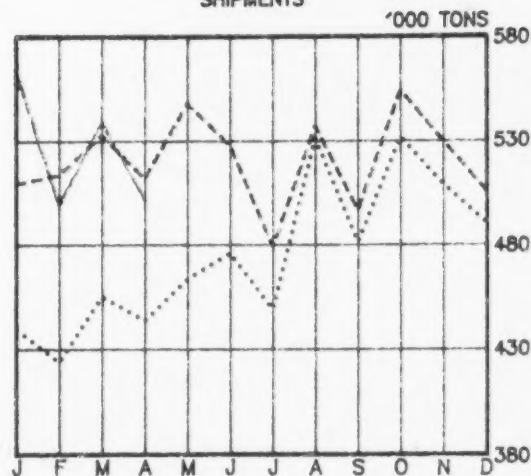
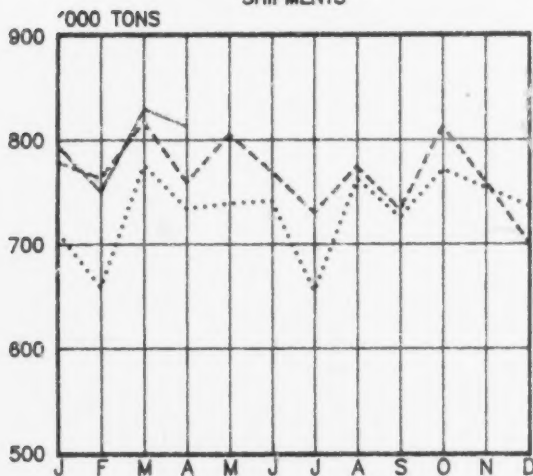
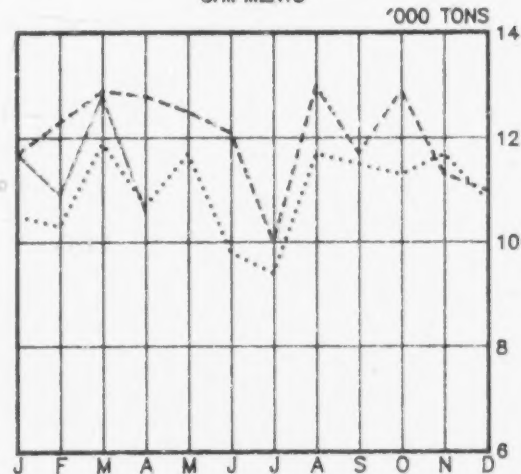
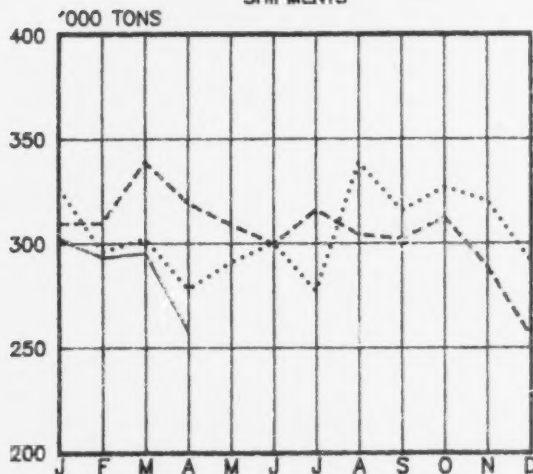
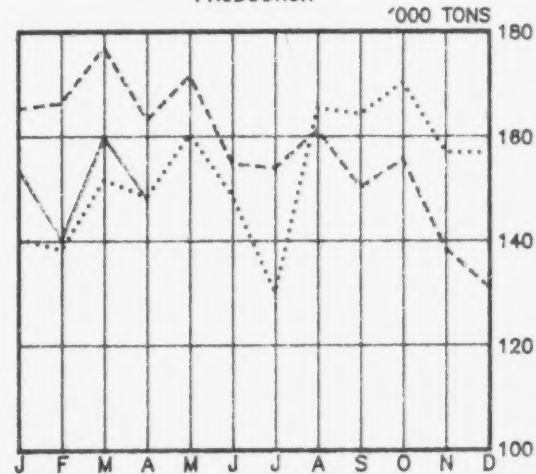
	YEAR		JAN.	FEB.	MAR.	APR.	Annual Rate Y-T-D	% Change From same Period Last Year
	1983	1984	1985	1985	1985	1985	1985	
PAPER								
Newsprint - Production	5167	5539	469	447	489	427	5493	-1.3
- Shipments	5153	5584	457	446	477	450	5487	-3.5
Printing & Writing sum	17387	18490	1601	1485	1628	1557	18811	0.8
Groundwood Paper - Shipments	1531	1563	125	119	129	124	1491	-7.2
- New Orders	1581	1598	138	101	118	114	1413	-16.8
- Unfilled Orders	145	164	161	140	132	115	115	-26.8
Coated Papers - Shipments	5696	6249	563	499	540	502	6312	1.7
- New Orders	5864	6292	555	455	472	491	5920	-6.0
- Unfilled Orders	513	586	561	520	459	456	456	-16.4
Unctd Free Sheet - Shipments	8767	9207	794	751	830	813	9564	2.2
- New Orders	9076	8938	777	763	865	829	9704	7.0
- Unfilled Orders	687	430	413	425	457	478	478	-24.3
Thin Papers - Shipments	131	144	12	11	13	11	138	-7.5
Cotton Fiber Paper - Shipments	131	144	12	11	13	11	138	-7.5
Bleached Bristols - Production	934	989	78	77	83	77	948	-4.3
Tissue Paper - Production	4789	4921	416	392	430	399	4911	1.2
Total Packaging & Other Paper	5497	5557	456	433	455	406	5253	-10.2
Unbl. Kraft Paper - Shipments	3666	3667	302	293	296	258	3448	-10.1
Other Paper - Production	1832	1889	154	140	160	148	1805	-10.5
TOTAL PAPER-Production-Unadj. *	32840	34506	2942	2758	3001	2788	34468	-1.3
- Production-S.A. *			2956	2878	2791	2771	34185	-0.5
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26403	2152	2002	2278	2037	25404	-3.7
Unbl. Kraft Linerboard (1)	15001	16037	1316	1193	1386	1194	15271	-4.4
Production for Export	2281	2086	110	130	129	142	1531	-28.2
Other Unbl. Kraft Paperboard	1121	1149	90	90	114	90	1152	1.8
Semichemical Paperboard	4731	5169	417	400	429	411	4973	-3.7
Production for Export	193	149	9	19	11	14	156	3.5
Solid Bleached Paperboard	3926	4048	328	318	348	342	4008	-2.3
Production for Export	515	478	41	29	40	43	460	-11.3
Recycled Paperboard	7398	7637	686	613	623	637	7677	-4.1
Production for Export	24	17	2	2	2	1	18	51.5
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34039	2837	2615	2908	2674	33102	-3.7
- Containerboard Prod.(Dom. Use)	19173	20993	1776	1591	1862	1603	20498	-1.6
- Boxboard Prod.(Dom. Use) (2)	5551	5783	503	484	471	492	5851	-0.7
- All Other P'bd Prod.(D.U.) (2)	4441	4531	397	361	393	379	4588	-5.1
- Total Paperbd Prod. for Export	3012	2731	161	179	182	200	2165	-23.0
TOTAL PAPERBOARD PROD.- S.A. *			2861	2764	2715	2565	32718	-3.0
TOTAL PAPER AND PAPERBOARD Production - actual *	65017	68545	5779	5373	5909	5462	67570	-2.5
Production - S.A. *			5817	5642	5506	5336	66904	-1.7

(1)Includes all exports of kraft paperboard.

(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.

* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

GROUNDWOOD PAPER, UNCOATED
SHIPMENTSCOATED PAPER
SHIPMENTSUNCOATED FREE SHEET PAPERS
SHIPMENTSCOTTON FIBER PAPER
SHIPMENTSUNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTSOTHER PAPER
PRODUCTION

1983 1984

-----1985

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WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		DEC	JAN	FEB	MAR	Annual	% Change
	1983	1984	1984	1985	1985	1985	Rate	from same
							Y-T-D	Period
							1985	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	52537	55549	4340	4595	4376	4819	55159	-0.6
- Imports	4093	4490	416	313	380	460	4612	5.0
- Exports	3644	3594	311	301	223	399	3688	-3.0
- New Supply	52986	56445	4444	4607	4533	4880	56083	.0
Dissolving Pulp - Production	1261	1206	87	86	118	118	1288	4.2
- Imports	192	161	18	6	22	21	196	4.2
- Exports	647	595	65	53	39	89	726	10.5
- New Supply	806	772	40	39	101	50	758	-1.1
Paper Grades - Production	42358	44709	3476	3716	3502	3868	44344	-0.6
Chemical Pulp - Imports	3706	4023	361	300	333	416	4195	6.6
- Exports	2958	2945	242	245	179	306	2919	-6.2
- New Supply	43106	45787	3595	3770	3656	3979	45621	0.4
Groundwood and Thermo-Mech. - Production	5067	5534	447	452	432	484	5467	-1.1
- Imports	195	306	37	7	26	23	221	-17.8
- Exports	40	54	4	2	5	4	43	24.4
- New Supply	5222	5786	480	457	452	502	5645	-2.1
Semi-Chemical - Production	3851	4100	330	341	325	349	4059	-2.0
- Imports								
- Exports								
- New Supply	3851	4100	- - - -	Included in Groundwood Pulp	- - - -	- - - -	4059	-2.0
			330	341	325	349		
MARKET WOOD PULP								
Total Market - Production	6478	6891	548	579	588	610	7108	5.0
Wood Pulp - Imports	2945	3256	311	252	232	263	2986	-5.3
- Exports	3421	3511	319	223	301	364	3551	-3.8
- New Supply	6002	6635	540	608	519	508	6543	5.1
Dissolving Pulp - Production	1260	1197	86	86	118	118	1288	4.4
- Imports	210	204	20	10	21	22	211	-2.8
- Exports	698	690	69	27	64	75	666	-8.4
- New Supply	772	710	38	69	75	64	833	15.1
Paper Grades - Production	5206	5680	461	492	469	491	5806	5.1
Chemical Pulp - Imports	2698	2952	272	238	209	238	2737	-4.6
- Exports	2723	2821	250	196	237	289	2885	-2.7
- New Supply	5181	5812	482	534	441	439	5658	4.3
Groundwood Pulp - Production	12	13	1	1	1	1	14	20.0
and All Other - Imports	38	100	19	4	2	3	37	-42.7
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	49	113	20	5	3	5	52	-32.5

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS

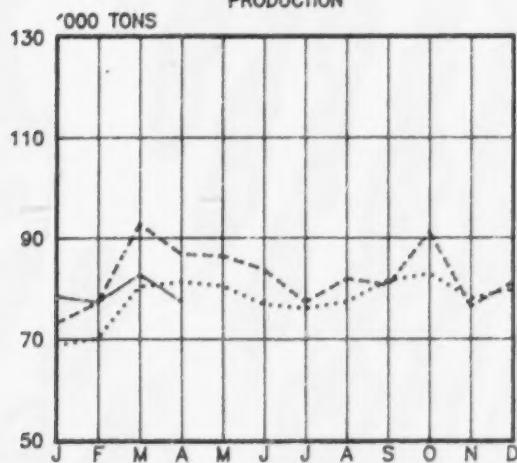
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	66130	70530	5827	5820	5444	6117	69525	-1.8
Total Wood Pulp	51434	54641	4314	4466	4266	4755	53944	-1.6
Waste Paper	14696	15889	1513	1355	1179	1362	15581	-2.8
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	174	165	172	189	189	21.4
Market Pulp at Pulp Mills	384	585	585	666	695	685	685	111.8
Mkt Pulp at Ppr. & Bd. Mills *	550	484	484	471	482	484	484	-24.9
Waste Paper at Paper & Bd. Mills	920	1025	1025	1036	1003	977	977	9.0
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	50	50	48	46	46	119.0

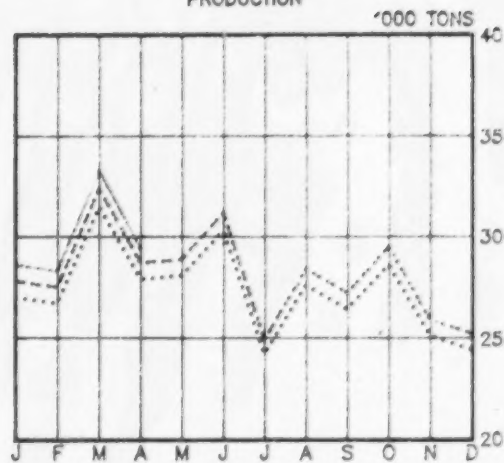
SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

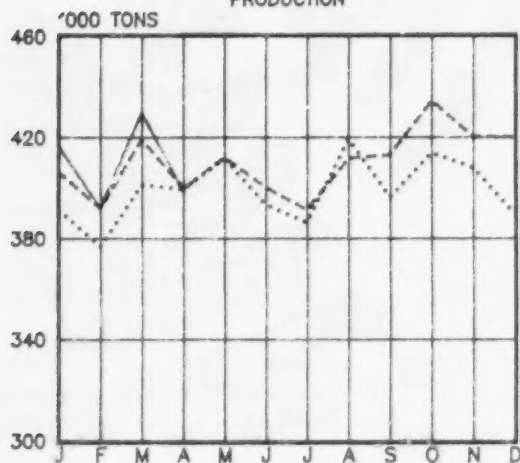
BLEACHED BRISTOLS
PRODUCTION



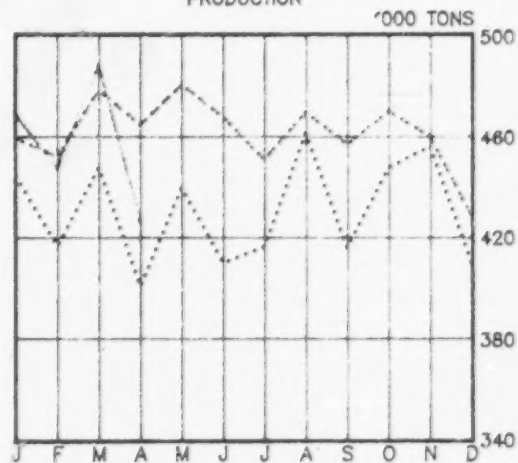
THIN PAPER
PRODUCTION



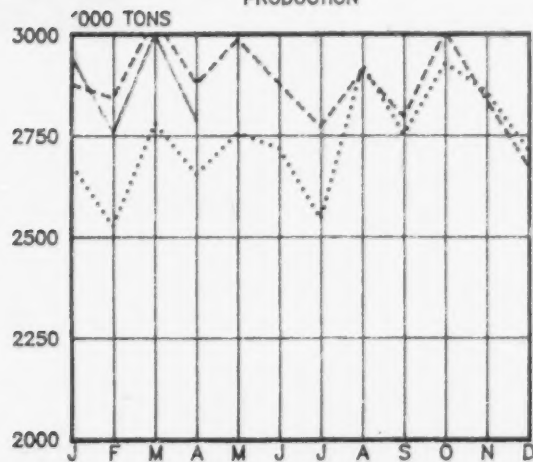
TISSUE PAPER
PRODUCTION



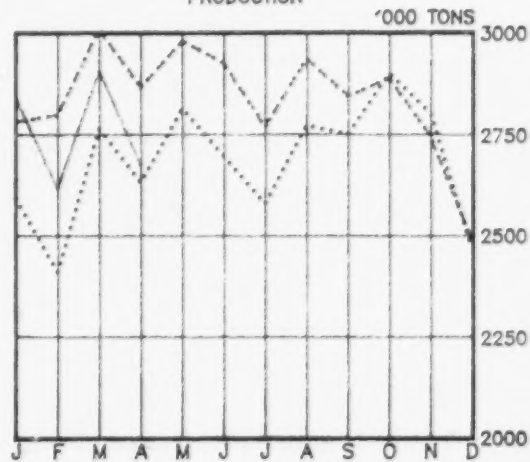
NEWSPRINT
PRODUCTION



TOTAL PAPER
PRODUCTION



TOTAL PAPERBOARD
PRODUCTION



1983 1984

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FIBROUS RAW MATERIALS

(Thousands of Standard (128 cubic foot) Corda)

		YEAR		DEC.	JAN.	FEB.	MAR.	Annual	% Change
		1983	1984	1984	1985	1985	1985	Rate	from same
								Y-T-D	Period
								1985	Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88876	7481	7481	7068	7483	88129	-1.4
	- Total Consumpt	85442	87646	6875	7413	6981	7651	88180	-0.4
	- Residues *	32755	32072	2427	2425	2407	2654	29944	-9.2
	- Inventories	5229	5574	5574	5552	5453	5256	5256	1.9
So. Atlantic	- Total Receipts	25736	27654	2281	2354	2312	2396	28248	8.0
	- Total Consumpt	25847	27344	2182	2325	2270	2507	28408	6.6
	- Residues *	7904	8198	638	628	710	692	8120	0.3
	- Inventories	1163	1444	1444	1478	1450	1312	1312	29.0
Northeast	- Total Receipts	7051	7665	727	727	671	657	8220	0.4
	- Total Consumpt	7274	7474	613	682	628	680	7960	-0.2
	- Residues *	1199	1501	147	123	121	144	1552	16.5
	- Inventories	577	590	590	606	664	640	640	4.7
South Central	- Total Receipts	29409	30693	2492	2503	2353	2741	30398	2.5
	- Total Consumpt	29152	30502	2444	2571	2439	2699	30836	2.7
	- Residues *	9218	9059	705	747	749	804	9200	3.5
	- Inventories	1536	1304	1304	1186	1022	1063	1063	-21.3
North Central	- Total Receipts	6265	6872	513	697	596	487	7120	-8.5
	- Total Consumpt	6343	6563	467	559	500	543	6408	-7.2
	- Residues *	1822	1472	91	126	102	120	1392	-7.9
	- Inventories	851	906	906	1016	1064	1019	1019	-1.1
West	- Total Receipts	16014	15992	1200	1200	1136	1202	14152	-18.6
	- Total Consumpt	16826	15763	1169	1276	1144	1222	14568	-14.3
	- Residues *	12612	11842	846	801	725	894	9680	-26.4
	- Inventories	1102	1330	1330	1266	1253	1222	1222	6.4

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

24-May-85

UNITED STATES TRADE WITH CANADA

IMPORTS FROM CANADA

		YEAR		FEB.	1985	MAR.	1985	Annual	% Change
		Tons	5000's	Tons	5000's	Tons	5000's	Rate	from same
								Y-T-D	Period
								1985	Last Year
Pulpwood, Roundwood									
(in cords of 128 cubic feet)									
Pulpwood chips		207520	10591	4352	198	96	10	60864	-63.8
Wood Pulp, Total		2061270	45353	89677	2547	61664	1802	1026552	-66.1
Waste Fibrous Materials, Total		4059913	1678908	362944	136010	402526	143896	4240596	3.6
Paper, Board & Products, Total		151957	25187	11394	2016	16382	3101	158812	1.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.		9401285	4048656	775727	343876	903056	385242	9695254	8.2
Paper, Paperboard & Products		9330954	3927255	770298	314810	895503	372650	9621548	8.2
Paper & Paperboard, Only		8948073	3946084	742886	336841	866251	376512	9342729	9.0
Paper, Total		8877742	3824684	737457	327795	858699	363920	9269024	8.9
Newsprint		8662094	3762205	724302	324058	844857	360067	9119758	10.6
Printing, Writing & Rel. Pap.		7681341	3224596	646049	281413	758736	316195	8153948	10.6
Pack. & Ind. Conv. Paper		852879	457438	65503	34671	69339	33289	800047	6.6
Special Industrial Paper		101131	59408	7713	4553	11382	6719	111444	4.0
Tissue Paper		3232	5437	165	240	503	729	3492	-0.3
Paperboard, Total		23512	15326	4872	3182	4897	3135	50826	283.7
Convtd Paper&Paperbd Products		215648	62479	13156	3737	13841	3853	149266	-42.8
Wet Machine Board		70331	121401	5429	9046	7553	12592	73705	13.0
Construction Paper & Board		2098	1426	66	44	262	173	1682	-42.5
		451113	101146	32775	6991	36543	8557	350843	-8.3

EXPORTS TO CANADA

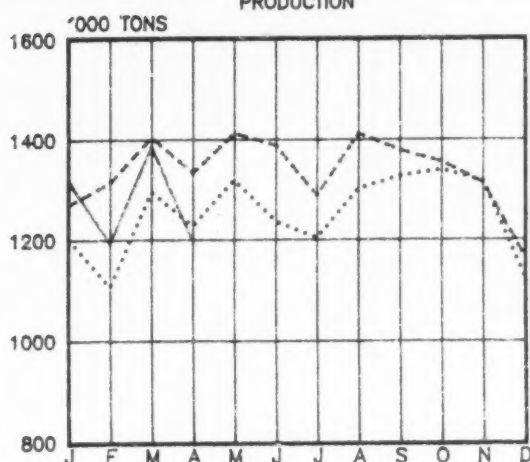
Pulpwood, Roundwood		95117	5698	1330	71	392	22	17080	-57.6
(in cords of 128 cubic feet)		28445	1544	3840	304	3213	240	42756	115.6
Pulpwood chips		180850	82653	23496	9550	21741	8636	237168	43.3
Wood Pulp, Total		10474	6605	875	515	559	388	15616	31.9
Cotton Pulp & Other Pulp		325712	37937	10381	2329	20506	2448	243144	-22.7
Waste Paper		756499	524570	61540	42324	62562	43986	724909	-5.6
Paper, Board & Products, Total		569696	358082	45983	30719	47999	30678	559212	3.8
Paper, Paperboard & Products		726888	511454	59473	41426	60147	43042	699122	-5.7
Paper & Paperboard, Only		540085	344966	43916	29821	45583	29735	533424	4.1
Paper, Total		296791	245610	24947	21738	29850	22051	311404	1.3
Newsprint		4493	3678	198	203	234	197	3133	-51.2
Printing, Writing & Rel. Pap.		137839	125802	13266	12373	13186	11852	154619	8.0
Pack. & Ind. Conv. Paper		46661	26918	4556	2236	3837	2306	53966	15.8
Special Industrial Paper		104039	85328	6759	6691	12291	7225	96940	-10.1
Tissue Paper		3758	3883	169	235	302	471	2748	-16.3
Paperboard, Total		243294	99357	18969	8083	15733	7684	222020	8.3
Convtd Paper&Paperbd Products		186803	166488	15557	11604	14564	13307	165697	-27.7
Wet Machine Board		5312	3707	495	336	267	196	5036	8.7
Construction Paper & Board		24299	9409	1572	563	2148	747	20752	-5.2

SOURCE: Bureau of Census, Department of Commerce .

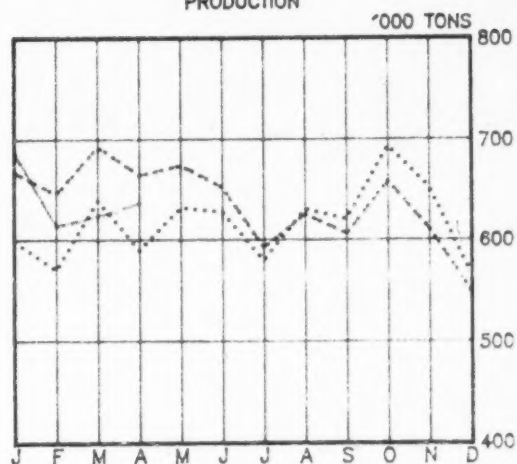
E - Estimate of tonnage based on square foot data

24-May-85

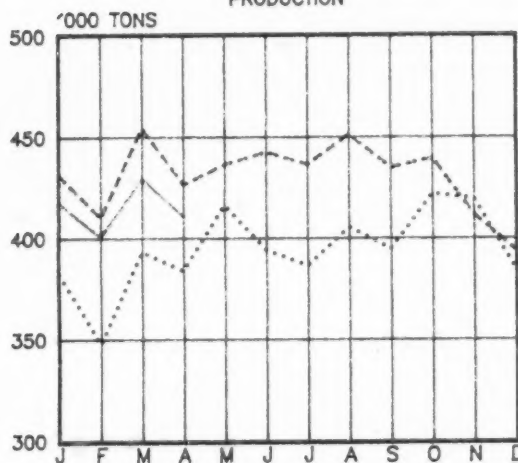
UNBLEACHED KRAFT LINERBOARD PRODUCTION



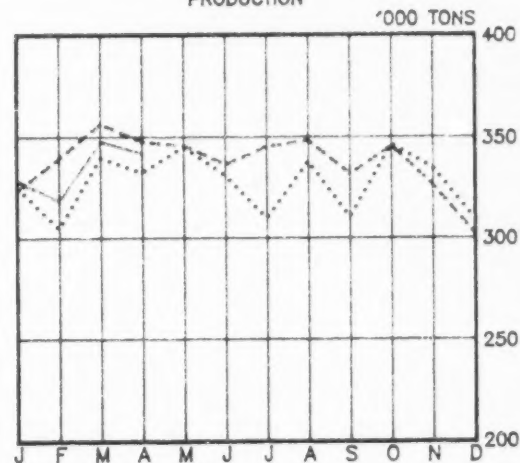
RECYCLED PAPERBOARD PRODUCTION



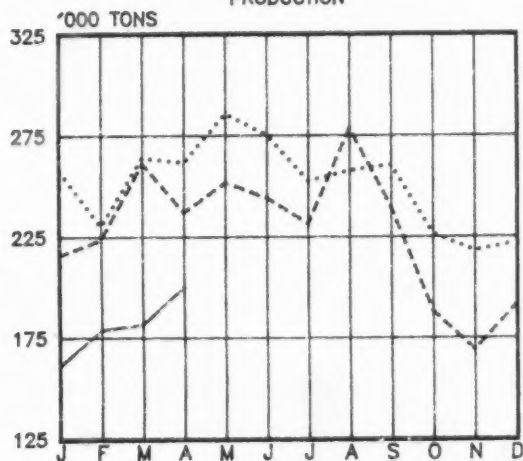
SEMICHEMICAL PAPERBOARD PRODUCTION



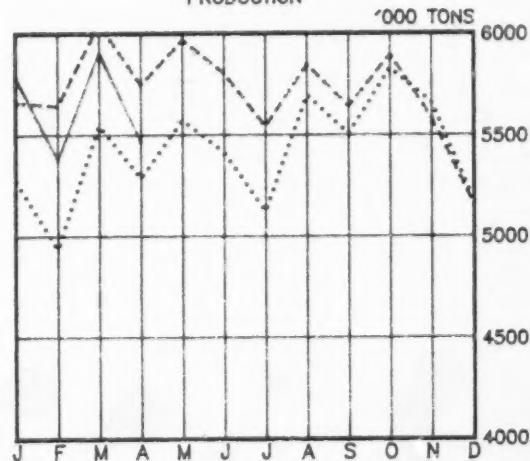
SOLID BLEACHED PAPERBOARD PRODUCTION



PAPERBOARD FOR EXPORT PRODUCTION



TOTAL PAPER AND PAPERBOARD PRODUCTION



1983 1984

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PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 9

IMPORTS

	YEAR 1984 Tons	1984 \$000	FEB Tons	1985 \$000	MAR Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood Roundwood (cords)	207733	10615	4377	200	96	10	60964	-63.7
Pulpwood Chips	2062545	45396	89695	2550	62266	1815	1029100	-66.0
Total All Imports	1739471	7204351	1297281	591162	1564951	689269	16430525	9.8
Wood Pulp, Total	4490081	1844768	380467	141143	459812	162577	4612048	5.0
Waste Paper	109712	11692	6953	795	8352	960	83584	-19.8
Other Fibrous Materials	64367	24097	5918	1976	9965	3098	96390	44.7
Paper, Board & Products Total	11075312	5323794	903943	447248	1086823	522634	11638504	12.0
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	10854312	4781475	885278	403080	1064118	472347	11395058	11.7
Paper, Ppbd & Prds ex Cnst&WMB	10575656	5207697	866855	438529	1045550	512427	11232512	12.7
Paper & Paperboard, Only	10354656	4665378	848190	394361	1022846	462140	10989066	12.4
Paper, Total	10112041	4591486	831504	389500	1006543	457196	10803706	13.8
Newsprint	7893877	3299570	658698	286212	790582	327806	8469832	12.9
Printing & Writing	2042368	1168989	156310	91797	194572	114144	2117872	16.8
Uncoated Groundwood	1090049	548791	82496	41574	100342	51487	1118926	22.6
Coated Print. & Impreg. Pap.	428274	295844	48068	34594	63300	43804	660344	125.1
Uncoated Free Sheet	476950	284057	24101	13844	28212	16526	313934	-43.0
Uncoated Book	254926	156296	11731	6884	13512	8172	155365	-47.1
Writing and Similar Paper	222024	127761	12370	6960	14699	8353	158568	-38.2
Thin (except Cigarette)	46427	39513	1565	1676	2683	2289	23771	-57.6
Bristols	667	784	80	108	37	39	897	35.9
Total Pkg. & Other Paper	145484	102565	11330	8105	16161	11883	161562	-0.5
Unbleached Kraft Paper	42854	19568	3191	1375	4771	2077	46528	-22.5
Other Pkg. & Indust. Paper	102629	82997	8138	6731	11390	9806	115034	12.3
Tissue	30312	20362	5167	3386	5227	3362	54440	258.1
Paperboard, Total	242615	73892	16686	4861	16303	4944	185360	-34.3
Test or Containerboard	70028	22218	4251	1501	5431	1806	52716	-35.2
Semi-Chemical Corrugating	103968	26098	5594	1236	5282	1175	58075	-55.2
Other Paperboard	68620	25576	6841	2124	5590	1963	74568	4.8
Convtd Paper&Paperbd Products	221000	542319	18664	44168	22705	50288	243446	26.3
Paper Products, Total	186199	474151	17254	41149	20076	45788	218314	30.8
Paperboard Products, Total	34800	68168	1411	3019	2629	4499	25132	-3.2
Wet machine Board	2826	2017	167	115	350	299	2999	-19.4
Construction Paper & Board	496830	114080	36921	8604	40923	9908	402993	-5.0
Notes								
Other: No Weight Avail. (\$000)		195737		14704		18358	197682	6.3
Total Imports Incl. Other(\$000)		7400088		605866		707627	7679611	14.4

EXPORTS

	YEAR 1984 Tons	1984 \$000	FEB Tons	1985 \$000	MAR Tons	1985 \$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (cords)	95441	5714	1330	71	392	22	17080	-58.9
Pulpwood Chips	2325213	164058	173489	13544	200596	14699	2237812	-1.6
Total All Exports	11300450	4524778	775985	295097	1070261	392536	11155324	0.0
Wood Pulp, Total	3593585	1501948	222598	84335	398572	153716	3687952	-3.0
Cotton Pulp and Other Pulp	84883	63545	6215	4505	6476	4289	92660	0.4
Waste and Old Paper	235441	408128	254222	29753	303944	33942	3370504	13.6
Paper, Board & Products, Total	4386541	2551157	292940	176505	361269	200589	4004208	-6.8
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3818804	1789129	248159	124697	319287	142127	3477197	-5.1
Paper, Ppbd & Prod ex Cnst&WMB	4308873	2507184	286901	172943	355434	197415	3932438	-6.6
Paper & Paperboard, Only	3741136	1745156	242120	121135	313453	138952	3405426	-4.8
Paper, Total	810547	632490	72681	54337	74040	50889	855125	9.3
Newsprint	306198	133964	30285	11690	25489	10044	334882	19.7
Printing & Writing	203156	219922	19321	20069	17979	18240	219620	2.0
Uncoated Groundwood	30405	28875	3222	2726	3138	2750	39008	50.7
Clay Coated Paper	85714	71365	6505	5477	7736	6231	83858	-16.7
Uncoated Free Sheet	65410	87255	7921	9561	5452	7085	77817	13.1
Other Printing & Writing	21627	32427	1673	2305	1653	2175	18937	-4.9
Total Pkg. & Other Paper	284185	259323	21377	20276	25106	20937	269033	-1.2
Unbleached Kraft	106712	44382	6040	2998	5127	2404	74842	-27.5
Other Pkg. & Indust. Paper	177473	214941	15338	17278	19980	18533	194190	14.9
Tissue	17009	19281	1699	2302	5465	1668	31590	105.9
Paperboard, Total	2930588	1112666	169438	66798	239413	88063	2550302	-8.8
Solid Wood Pulp	2761732	1040239	143952	58828	225915	81636	2338039	-12.1
Total Linerboard	2058034	628531	100834	31870	165340	44861	1684377	-13.0
Bleached Kraft Linerboard	141367	57788	7726	3763	12807	3986	139093	-18.3
Unbleached Kraft Linerboard	1916667	570743	93108	28107	152532	40874	1545284	-12.4
Other Unbleached Kraft	110878	51270	3955	1913	7939	3680	75094	-29.2
Other Bleached Kraft	543209	348218	36978	24381	45971	31466	521768	-10.8
Semi-Chemical Corrugating	49612	12220	2185	664	6665	1630	56800	63.1
Recycled Paperboard	168856	72427	25486	7971	13498	6427	212262	57.7
Convtd Paper&Paperbd Products	567737	762028	44781	51808	41981	58462	527011	-16.5
Paper Products, Total	286403	516149	22191	33801	21456	39189	254633	-23.7
Paperboard Products, Total	281334	245879	22591	18007	20526	19273	272378	-8.4
Wet Machine Board	13782	7335	1180	621	669	325	11444	-3.5
Construction Paper & Board E	63887	36638	4859	2940	5165	2850	60326	-18.3
Notes								
Other: No Weight Avail. (\$000)		8843		453		531	6544	-8.4
Total Exports Incl. Other(\$000)		4533621		295550		393066	4245444	-3.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
 (1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	JAN.	FEB.	MAR.	APR.	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	297.8	297.4	295.4	294.3	296.2	5.6
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	293.8	299.6	299.2	297.5	296.7	298.2	4.3
Total Wood Pulp	347.1	395.0	383.5	368.4	353.9	347.9	363.4	-3.5
Total Paper	282.3	303.2	307.0	304.7	303.7	303.6	304.8	2.4
Total Paper, exc. Newsprint	277.0	301.2	303.0	299.7	298.4	297.9	299.8	0.7
Newsprint	303.0	324.1	336.9	332.4	332.4	332.6	333.6	6.8
Total Paperboard	250.8	280.6	288.9	287.8	285.7	284.0	286.6	6.1
Total Paper and Paperboard *	272.4	296.1	301.3	299.4	298.1	297.5	299.1	1.5
Converted Products	265.4	280.7	289.0	291.0	290.4	290.0	290.1	5.8
Waste Paper	158.6	240.1	190.8	192.6	170.2	154.4	177.0	-24.8
All Commodities	303.1	310.4	309.8	309.2	308.7	309.3	309.3	-0.2
Industrial Commodities	315.7	322.6	323.2	322.5	322.6	323.8	323.0	0.6

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

11-May-85

continued from page 2

linerboard -- which was above its year-ago level in the first four months of 1985 -- kraft linerboard and both recycled and semi-chemical corrugating medium), was 1.6% below its year-ago total in the January-April 1985 period. Production for exports was down 28% (see page 3).

Total folding boxboard production in April 1985 and in the entire January-April 1985 period was within one percent of its year-ago levels. However, exports of folding boxboard -- largely solid bleached sulfate board -- were down sharply.

Technical note: The 1985 paperboard production data were also revised on the basis of an annual review. The 1984 total is now shown at 34,039,000 tons, 5.8% above that of 1983. The major change was in recycled board, which was revised downward by 2.8%. The new total for paper plus paperboard production is 68,545,000 tons, up 5.4% from its 1983 level.

continued on page 11

WOOD PULP AND OTHER FIBROUS RAW MATERIALS

Total production of chemical paper grade market wood pulp declined sharply from March to April 1985. As in paperboard, pulp mills had built up what turned out to be an excessive volume of inventories in the first quarter of 1985, and many shut down to bring their inventories to a level more in line with current rates of shipments. Total production in April 1985 was 399,000 short tons, compared to 492,000 short tons in March. As a result, inventories of these grades of market pulp at pulp mills declined from 622,000 tons at the end of March to 547,000 tons at the end of April. Despite the April 1985 decline in production, the four months 1985 total was almost exactly equal to its year-ago level, while April 1985 inventories were still 77% above those of April 1984. Production of these grades of market wood pulp in most of the other producing countries was also reduced in April, and total inventories fell by 10% from the end of March to the end of April, but still nearly 60% above their year-ago level.

Even with the curtailment in production, shipments of chemical paper grade market pulp in April from the United States to all markets were 6% above their year-ago level, although the four-month total was off by 3%. In that four-month period shipments to both the U.S. market and to Western Europe fell by 9% from their respective year-ago totals; shipments to Japan by 6%; while shipments to other countries increased 23%. The increase in shipments to these other countries was large enough to bring total shipments of chemical paper grade market pulp from the U.S. above its year-ago total.

The table on page 5 shows that total wood pulp production in the United States in the first quarter of 1985 was 0.6% below its year-ago level, while total consumption of wood pulp at paper and paperboard mills was down by 1.6%. Waste paper consumption in that period was also down, by 2.8%. Wood pulp accounted for 77.6% of the total of wood pulp and waste paper consumption in the 1985 first quarter, compared to 77.5% for all of 1984 and 77.8% for all of 1983.

continued on page 12

IMPORTS AND EXPORTS

Total imports of paper, paperboard moved up sharply from February to March 1985, reversing the trend evident in the earlier months of the year. The March total -- including the construction grades -- amounted to 1,087,000 tons, worth \$523 million. The January-February totals averaged 911,000 tons per month, worth \$411 million per month. Wood pulp imports also increased, rising from 313,000 tons in January to 380,000 tons in February and 460,000 tons in March. The total of all imports of paper and allied products -- including waste paper -- in the first quarter of 1985 was at the rate of 16.4 million tons per year -- up 9.8% from the first quarter of 1984.

Among the paper grades the major gains were in newsprint -- up 13%; uncoated groundwood, up 23%; and coated papers, up 125% (see page 9).

The total of all exports of these products, including waste paper, just matched its year ago level in the first quarter of 1985. However, the gain was concentrated in waste paper, which registered a 14% increase. Total wood pulp exports in the first quarter of 1985, as reported by the Department of Commerce, were down 5%, while exports of paper, paperboard and products, including the construction grades, were down 7%. There was a sharp increase in exports from February to March (see table on page 9), bringing the March level to its high for the year.

In dollar terms, total imports in the first quarter of 1985 were at the rate of \$7.7 billion per year, 14% above their year-ago level. Exports, at \$4.2 billion per year, were down 3.5%.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

May 31, 1985

	PRODUCTION (000 TONS)						% Change 85/84
	Apr. 85	Mar. 85	Apr. 84	Jan. 85	- Apr. 84	-	
PAPER GRADES	P	R					
Newsprint	427	489	465	1831	1855	-1.3	
Printing & Writing	1557	1628	1533	6270	6221	0.8	
Uncoated Groundwood (s)	124	129	133	497	536	-7.2	
Coated Paper (s)	502	540	512	2104	2069	1.7	
Uncoated Free Sheet Paper (s)	813	830	759	3188	3119	2.2	
Thin Paper (s)	29	33	29	120	116	2.7	
Cotton Fiber Paper (s)	11	13	13	46	50	-7.5	
Bleached Bristols (s)	77	83	87	316	330	-4.3	
Tissue Paper	399	430	400	1637	1617	1.2	
Total Pkg & Other Paper	406	455	483	1751	1950	-10.2	
Unbleached Kraft Packaging & Indl. Converting (s)	258	296	319	1149	1278	-10.1	
Other Paper *	148	160	163	602	672	-10.5	
TOTAL PAPER	2788	3001	2880	11489	11643	-1.3	
PAPERBOARD GRADES							
Unbleached Kraft Paperboard	1284	1501	1429	5474	5701	-4.0	
Unbleached Kraft Linerboard	1194	1386	1334	5090	5324	-4.4	
Other Unbl. Kraft Paperboard	90	114	95	384	377	1.8	
Semichemical Paperboard	411	429	426	1658	1722	-3.7	
Bleached Paperboard	342	348	348	1336	1367	-2.3	
Recycled Paperboard	637	623	664	2559	2669	-4.1	
TOTAL PAPERBOARD	2674	2908	2867	11034	11459	-3.7	
TOTAL PAPER AND PAPERBOARD	5462	5909	5747	22523	23102	-2.5	
WOOD PULP (ALL GRADES)	Mar. 85	Feb. 85	Mar. 84	Jan. 85	- Feb. 84	-	% Change 85/84
Dissolving & Special Alpha	118	118	106	322	309	4.2	
Bleached Sulfite	123	102	125	346	338	2.5	
Unbleached Sulfite	26	18	23	63	72	-12.7	
Bleached & Semi-Bl. Sulfate	1996	1820	1947	5739	5550	3.4	
Unbleached Sulfate	1723	1563	1820	4939	5190	-4.8	
Semichemical	349	325	362	1015	1035	-2.0	
Groundwood & Thermomechanical	484	432	466	1367	1382	-1.1	
TOTAL PULP DIVISION DATA	4819	4376	4847	13790	13876	-0.6	

(s) - Shipments
P - Preliminary

R - Revised

May 31, 1985

May 31, 1985	Full Year		INDUSTRY DATA 1984-1985			Ann. Rate & From Year - Date Same Pd. To - Date Last Year	
	1983	1984	R February	R March	P April	1985	
PAPER AND PAPERBOARD -- Tons (000)							
Total Production (API)..... excluding s...	65017	68545	5373	5910	5462	67570	-2.5
Total Seasonally Adjusted.....construction:...			5642	5506	5336	66904	-1.7
Imports (including Products): s and wet s...E	8509	10576	867	1046	N.A.	11246	14.1
Exports (including Products): s machine s...E	4501	4309	287	355	N.A.	4000	-4.7
Apparent Consumption..... grades s...	69025a	74812b	6222	6196	5926	74149c	0.5
Paper Production & Tonnage Capacity.....	92.0g	93.4g	94.9	93.4	89.5	92.9gh	-
Paperboard Production & Tonnage Capacity.....	90.8g	95.7g	92.5	93.2	98.1	91.3j	-
IMPORTS.....:Including Construction and s...							
EXPORTS.....: WMB Grades (excl. HPB) s...	8985	11075	919	904	1087	139	12.0
	4568	4387	347	293	361		-6.8
MARKET WOOD PULP PRODUCTION - Tons (000).....							
TOTAL WOOD PULP PRODUCTION - Tons (000)...(f)....	6478	6891	579	588	610	7108	5.0
WOOD PULP IMPORTS - TONS (000).....	52537	55549	4595	4376	4819	55160	-0.6
WOOD PULP EXPORTS - TONS (000).....	4093	4490	313	380	460	4612	5.0
RAW MATERIALS CONSUMPTION - Tons (000).....	3644	3594	301	223	399	3692	-2.9
..PAPER AND BOARD MILLS s excluding s							
Wood Pulp.....:consumption for:.....	51434	54641	4466	4266	4755	53947	-1.5
Waste Paper.....:construction & s.....	14696	15889	1355	1179	1362	15583	-2.8
TOTAL.....: WMB grades s.....	66130	70530	5820	5445	6117	69530	-1.8
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	83608	87646	7413	6981	7651	88180	-0.4
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....E	661.6	682.3	678.1	679.4	678.8	679.0	0.6
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	262.7	262.9	263.0	263.1	0.5
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.68	10.67	10.76	10.70	4.4
Pulp, Paper Mills.....E	11.70	12.45	12.80	12.80	12.84	12.82	5.6
Paperboard Mills.....E	12.11	12.99	13.30	13.34	13.35	13.28	4.9
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS (Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*							
	5.92	7.15	7.33	7.99	7.58	7.83y	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100)							
IN PULP, PAPER s...Production Workers.....	118.0	120.0	120.9	119.3	120.1	121.0	2.1
AND BOARD MILLS:..All Employees.....	116.9	118.8	119.0	117.6	118.4	119.2	0.9
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8110	8140	8067	97268	4.3
Pulp, Paper and Paperboard*.....	36346	41539	3491	3530	3512	42132	4.1
Inventories (End of Period) - Total Industry*..	8729	9701	9908	9883	9943	9943	10.0
Pulp, Paper and Paperboard*.....	3263	3662	3791	3773	3815	3815	14.7
Sales (Corporations Only).....	65008	71891	18694	18096	17642	-	-
Earnings (Corporations Only).....	2327	3015	942	951	493	-	-
Depreciation (Corporations Only).....	2607	2798	699	706	700	-	-
Net Worth (Corporations Only).....	27219	28160	28130	28806	28160	-	-
PRICE INDEXES (Bureau of Labor Stats)1967=100							
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	297.4	295.4	294.3	296.2	3.6
Wood Pulp.....	347.1	395.0	368.4	353.9	347.9	363.4	-3.5
Waste Paper.....	N.A.	240.1	192.6	170.2	154.4	177.0	-24.9
Paper.....	282.3	303.2	304.7	303.7	303.6	304.8	2.4
Paperboard.....	250.8	280.6	287.8	285.7	284.0	286.6	6.1
PAPER DEMAND (INDEXED: 1967=100)							
Total Paper Production *.....	157.2	164.7	165.0	160.0	158.9	163.4	-0.5
Paper New Supply *.....	147.2	160.3	160.0	164.0	158.2	161.9	3.0
Total End - Use Index *.....	157.8	172.5	175.3	175.4	175.6	175.6	4.0
Production of Nondurable Goods *....(19%)...	168.0	179.4	178.9	178.9	178.8	179.1	1.0
Disposable Income (Constant \$) *....(23%)...	163.4	174.6	176.3	175.0	174.4	175.9	2.4
Total Printing and Publishing *....(58%)...	152.3	169.4	173.7	174.4	175.1	174.4	5.8
Trend Factor			Not Available				
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.4	149.1	145.3	142.8	134.9	143.4	-3.0
Production for Domestic Use *.....	138.5	145.4	135.8	151.9	137.8	143.7	-2.0
Total End - Use Index *.....	148.9	161.6	162.5	163.0	162.4	162.5	1.8
Production of Consumer Goods *....(60.4%)...	151.8	161.6	162.0	162.5	161.9	162.1	1.2
Production of Equipment *....(6.6%)...	140.8	164.0	172.5	173.1	173.1	172.9	10.5
Production of Materials *....(32.8%)...	145.2	161.1	161.3	161.8	161.1	161.2	1.1
Trend Factor			Not Available				
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000).....	11671	12611	962	954	1107	12092	2.6
Newspaper Pub. and Printing Expt. Total(000)...	421.6	443.0	450.3	451.3	451.8	451.1	3.3
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	9261	11852	13418	139121	3.3
WHOLESALESALES SALES AND INVENTORIES (Million \$)(j)							
Total Paper & Pap. Prods., ex Wallpaper..Sales	22776	26532	2805	2639	2816	33040	10.5
Inventories (End of Period).....	1885	2141	2792	2886	2940	2940	17.8
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet).....	252539	248538	20209	21730	22582	262272	-2.3
Container'bd Inventory at Mill & Plant(000Tons).	2437	2882	2955	3023	2985	2985	18.8
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	112096	111266	112225	1339677	5.4
Nondurable Goods Stores Sales *.....	793398	842417	71023	70693	71403	850398	2.4
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.3	165.3	165.8	165.4	165.4	3.1
PRODUCER PRICES(ALL COMMODITIES)(INDEX 1967=100)..	303.1	310.4	309.2	308.7	309.3	309.3	-0.2
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	317.4	318.8	320.1	318.1	3.6
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...							
	387.9	461.0	461.5	464.9	471.6	471.6	15.7
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions)...							
G.N.P. or Expenditure - Current \$.....	3304.8	3664.2	3694.6	3764.2	3819.9	3819.9	7.5
G.N.P. or Expenditure - 1972 \$.....	1534.7	1639.9	1645.2	1664.8	1668.0	1668.0	3.5

15/capita

Pap&Pabd. Oftr Total Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 638 + 18 = 656 234.9

.E - Last month estimated by API

.e - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 6

JUNE, 1985

PAPER AND PAPERBOARD PRODUCTION: STEADYING

The rate of paper and paperboard production turned upward in May from its April low, but was still 3.4% below the rate of the first quarter of 1985. The April low largely reflected the shutdowns of kraft paperboard mills to work off excessive inventories. Kraft paper production also declined sharply in April, but recovered somewhat in May.

The May recovery was concentrated in the packaging grades as the shut-down mills came back into operation. While production of the printing and writing paper grades held near its April rate, the rate of shipments eased. New orders for these papers are holding rather steady and backlogs levelled off.

The April-May rate of paper and paperboard production, seasonally adjusted, was about 64.8 million tons per year, some 4.4% below the first quarter 1985 rate and 5.4% below the high rate reached in the comparable months of 1984. For the entire January-May 1985 period, paper and paperboard production averaged 66.6 million tons per year, seasonally adjusted, 2.4% below its comparable year-ago rate. The seasonally adjusted rate of paper production, at 34.1 million tons per year, was down 0.9%; paperboard production, at 32.5 million tons per year was down 3.8%.

The production tonnage totals shown for 1983 and 1984 shown on page 3 reflect additional revisions in printing paper shipments, stemming from the annual re-survey of reported data by the Printing-Writing Paper Division. The new totals are slightly below the earlier-reported data but the quarterly patterns remain the same.

Continued on Page 2

IMPORTS, EXPORTS AND NEW SUPPLY

Import and export trends have affected domestic production of paper and paperboard. In the first four months of 1985 imports of paper and paperboard (excluding the construction grades) were at the annual rate of 11.0 million tons, 14% above the year-earlier rate. There had been some fall off of imports in the first two months of 1985, but imports rose sharply in March and held to a relatively high rate in April.

The major gains in imports were in newsprint, up 16.8% to a rate of 8.6 million tons per year; uncoated groundwood papers, up 13.7%, at a rate of 1.1 million tons per year; and coated papers, at 617,000 tons per year, more than double the rate of imports of the first four months of 1984. At the same time, imports of uncoated free sheet papers, which had shown a strong gain in 1984, were 46% below their year-earlier rate in the first four months of 1985, averaging 308,000 tons per year.

These imports reflected orders placed some months earlier, when demand was somewhat stronger. A slower pace of over-all business activity in the U.S. may slow down the import surge.

Exports, reflecting in part the effects of the strong dollar, were down from their year-ago levels. Exports of paper and paperboard (excluding the construction grades) in the first four months of 1985 were at the rate of 3.5 million tons per year, 3.2% below the year-earlier rate. The decline was centered on paperboard, particularly kraft linerboard. Paper exports actually increased, with the four-month 1985 total at the rate of nearly 850,000 tons per year, 7.3% above the rate of the first four months of 1984. Major gainers were newsprint, up 20%, at 344,000 tons per year, and uncoated free sheet papers, at 79,000 tons per year, up 22%. The details are shown in table on page 9. Data on paperboard production for export, as reported to the API, are shown in the table on page 3.

Even with imports relatively strong in April, and exports relatively weak, the new supply of paper, paperboard and products (production plus imports less exports) for the April-May period averaged about 72 million tons per year, 4% below the first quarter 1985 rate and about 2.7% below the second quarter 1984 rate. Clearly some inventory correction is under way.

PAPER AND PAPERBOARD STATISTICS
 PRODUCTION, SHIPMENTS AND ORDERS
 (Thousands of Short Tons)

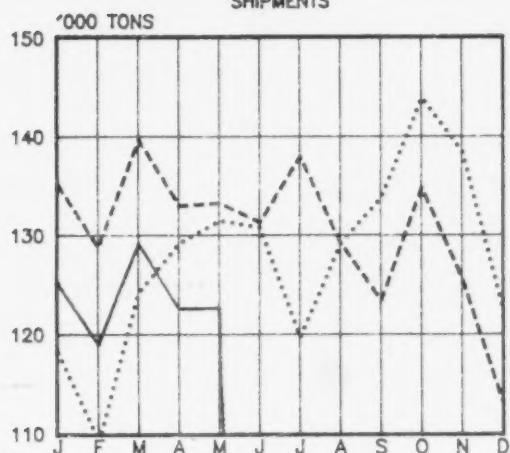
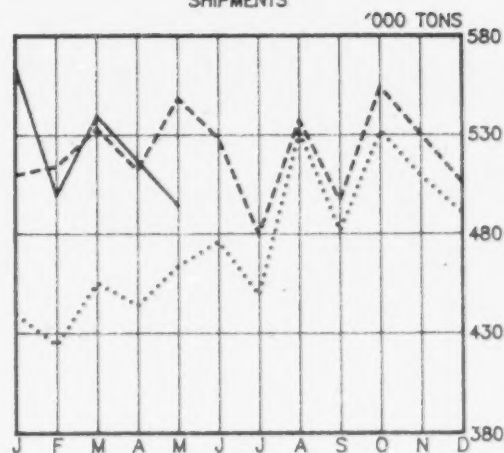
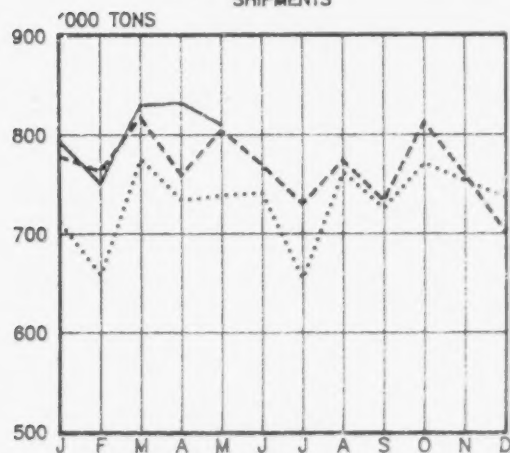
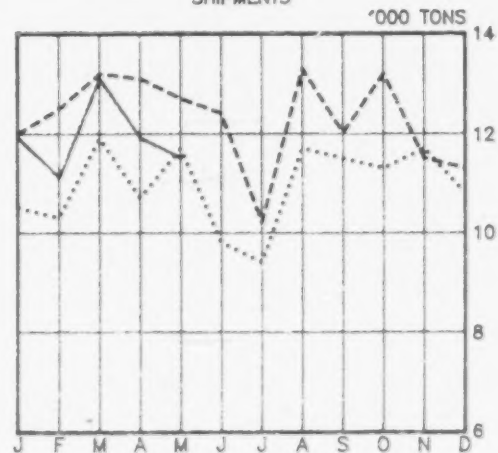
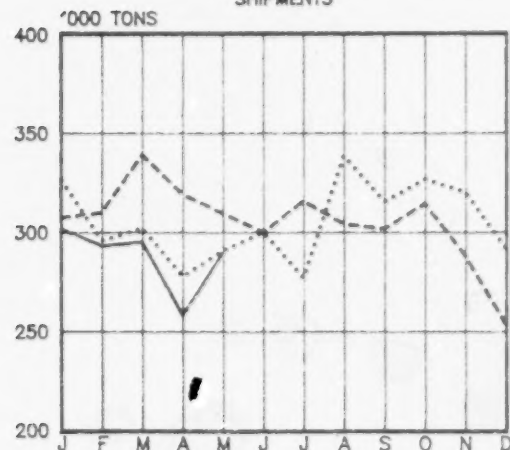
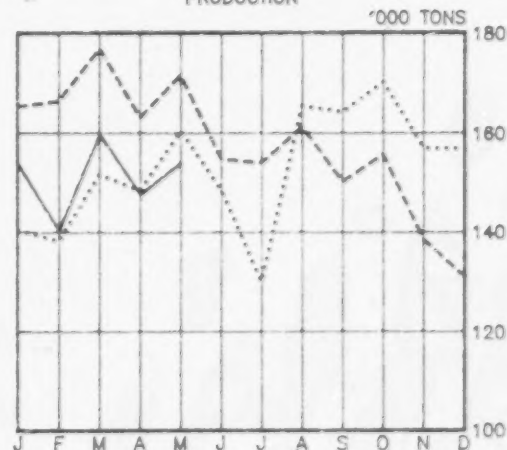
	YEAR		FEB.	MAR.	APR.	MAY	Annual	* Change
	1983	1984	1985	1985	1985	1985	Rate Y-T-D 1985	From same Period Last Year
PAPER								
Newsprint - Production	5167	5534	447	489	427	461	5501	-1.8
- Shipments	5153	5584	446	477	450	452	5474	-4.6
Printing & Writing sum	17370	18403	1477	1618	1585	1539	18747	0.2
Groundwood Paper - Shipments	1531	1565	114	124	123	123	1485	-7.6
- New Orders	1581	1601	101	118	112	126	1430	-12.9
- Unfilled Orders	145	164	140	132	115	120	120	-23.5
Coated Papers - Shipments	5716	6249	499	540	517	494	6270	-0.2
- New Orders	5864	6242	455	472	508	500	5976	-3.8
- Unfilled Orders	513	586	520	459	461	461	461	-15.4
Unctd Free Sheet - Shipments	8780	9207	751	830	833	810	9643	2.4
- New Orders	9076	8939	763	865	853	806	9754	6.7
- Unfilled Orders	687	430	425	457	485	486	486	-23.0
Thin Papers - Shipments	280	275	22	26	23	24	284	0.0
Cotton Fiber Paper - Shipments	133	147	11	13	12	11	143	-6.3
Bleached Bristols - Production	931	959	75	80	78	77	922	-5.0
Tissue Paper - Production	4789	4921	392	430	399	440	4985	2.3
Total Packaging & Other Paper	5497	5555	434	455	406	444	5265	-9.7
Unbl. Kraft Paper - Shipments	3666	3666	293	295	258	290	3453	-9.3
Other Paper - Production	1832	1889	140	160	148	154	1813	-10.5
TOTAL PAPER-Production-Unadj. *	32823	34418	2750	2992	2816	2884	34498	-1.5
-Production-S.A. *			2871	2851	2783	2800	34080	-0.9
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26403	2001	2283	2036	2178	25564	-4.0
Unbl. Kraft Linerboard (1)	15001	16037	1190	1401	1193	1312	15386	-4.8
Production for Export	2281	2086	124	139	139	145	1590	-27.4
Other Unbl. Kraft Paperboard	1121	1149	92	105	91	107	1171	-0.5
Semichemical Paperboard	4731	5169	400	430	411	431	5015	-3.2
Production for Export	193	149	19	11	14	12	154	2.3
Solid Bleached Paperboard	3926	4048	318	348	341	328	3993	-2.9
Production for Export	515	478	29	40	43	41	466	-7.4
Recycled Paperboard	7398	7637	595	670	572	621	7474	-6.8
Production for Export	24	17	1	1	1	1	14	17.7
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34039	2595	2953	2609	2799	33044	-4.7
- Containerboard Prod.(Dom. Use)	19173	20993	1598	1858	1604	1740	20598	-2.3
- Boxboard Prod.(Dom. Use) (2)	5551	5783	468	505	491	462	5786	-1.8
- All Other P'bd Prod.(D.U.) (2)	4441	4531	357	399	316	391	4436	-8.3
- Total Paperbd Prod. for Export	3012	2731	172	191	197	198	2224	-22.1
TOTAL PAPERBOARD PROD.- S.A. *			2736	2782	2558	2654	32490	-3.8
TOTAL PAPER AND PAPERBOARD Production - actual *	65000	68457	5345	5945	5424	5684	67542	-3.1
Production - S.A. *			5608	5633	5341	5454	66570	-2.4

(1)Includes all exports of kraft paperboard.

(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.

* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
 R Revised
 S.A. Seasonally Adjusted

GROUNDWOOD PAPER, UNCOATED
SHIPMENTSCOATED PAPER
SHIPMENTSUNCOATED FREE SHEET PAPERS
SHIPMENTSCOTTON FIBER PAPER
SHIPMENTSUNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTSOTHER PAPER
PRODUCTION

1983 1984 -----1985

WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		JAN	FEB	MAR	APR	Annual	% Change
	1983	1984	1985	1985	1985	1985	Rate	from same
							Y-T-D	Period
							1985	Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	52537	55549	4595	4376	4843	4403	54649	-2.0
- Imports	4093	4490	313	380	460	335	4464	3.6
- Exports	3644	3594	301	223	399	328	3749	4.2
- New Supply	52986	56445	4607	4533	4904	4410	55363	-1.9
Dissolving Pulp - Production	1261	1206	86	118	118	104	1280	0.2
- Imports	192	161	6	22	21	7	167	2.4
- Exports	647	595	53	39	89	59	722	10.9
- New Supply	806	772	39	101	50	52	724	-8.2
Paper Grades - Production	42358	44709	3716	3502	3893	3513	43871	-2.0
Chemical Pulp - Imports	3706	4023	300	333	416	324	4118	6.1
- Exports	2958	2945	245	179	306	267	2991	2.8
- New Supply	43106	45787	3770	3656	4003	3570	44997	-1.6
Groundwood and Thermo-Mech. - Production	5067	5534	452	432	483	445	5435	-2.3
- Imports	195	306	7	26	23	4	179	-32.6
- Exports	40	54	2	5	4	1	36	-6.5
- New Supply	5222	5786	457	452	502	448	5578	-3.6
Semi-Chemical - Production	3851	4100	341	325	349	340	4064	-2.0
- Imports								
- Exports								
- New Supply	3851	4100	341	325	349	340	4064	-2.0
			Included in Groundwood Pulp					
			341	325	349	340	4064	-2.0
MARKET WOOD PULP								
Total Market - Production	6478	6891	579	588	609	564	7022	2.6
Wood Pulp - Imports	2945	3256	252	232	263	195	2824	-10.9
- Exports	3421	3511	223	301	364	334	3663	1.0
- New Supply	6002	6635	608	519	508	425	6182	-3.2
Dissolving Pulp - Production	1260	1197	86	118	118	105	1279	0.4
- Imports	210	204	10	21	22	8	181	-9.6
- Exports	698	690	27	64	75	58	673	-7.7
- New Supply	772	710	69	75	64	54	788	5.6
Paper Grades - Production	5206	5680	492	469	491	458	5728	3.1
Chemical Pulp - Imports	2698	2952	238	209	238	186	2611	-10.2
- Exports	2723	2821	196	237	289	275	2990	3.2
- New Supply	5181	5812	534	441	439	369	5349	-3.9
Groundwood Pulp and All Other - Production	12	13	1	1	1	1	14	17.1
- Imports	38	100	4	2	3	1	31	-49.9
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	49	113	5	3	5	2	46	-38.6

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

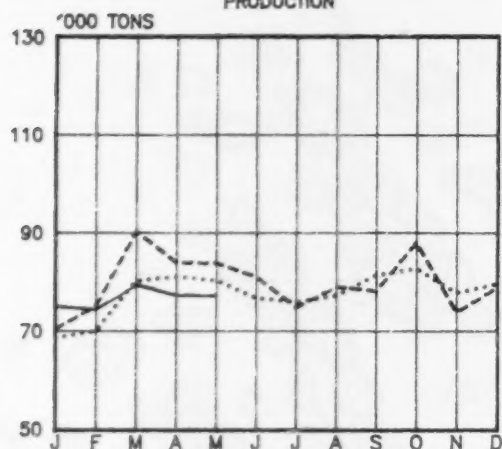
FIBROUS RAW MATERIALS

(Thousands of tons)

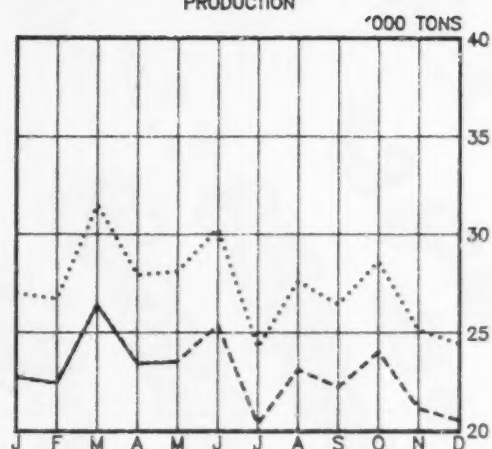
CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	66130	70530	5820	5444	6138	5590	68976	-2.6
Total Wood Pulp	51434	54641	4466	4266	4778	4344	53558	-2.4
Waste Paper	14696	15889	1355	1179	1360	1246	15418	-3.2
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	165	172	191	167	167	4.6
Mkt Pulp at Pulp Mills (Paper Grades)	384	585	666	695	685	636	636	86.8
Mkt Pulp at Ppr. & Bd. Mills *	550	484	471	482	484	484	484	-29.3
Waste Paper at Paper & Bd. Mills	920	1025	1036	1003	977	994	994	8.7
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	50	48	46	37	37	68.2

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

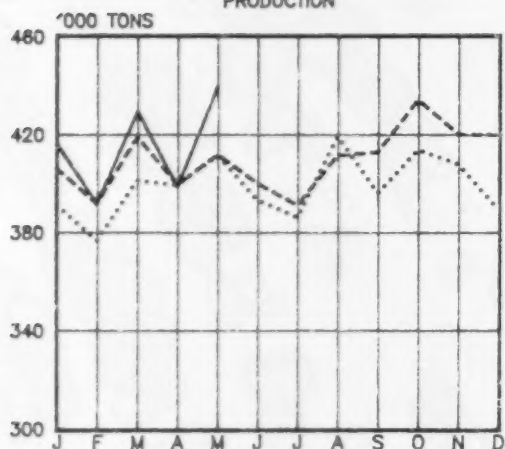
BLEACHED BRISTOLS PRODUCTION



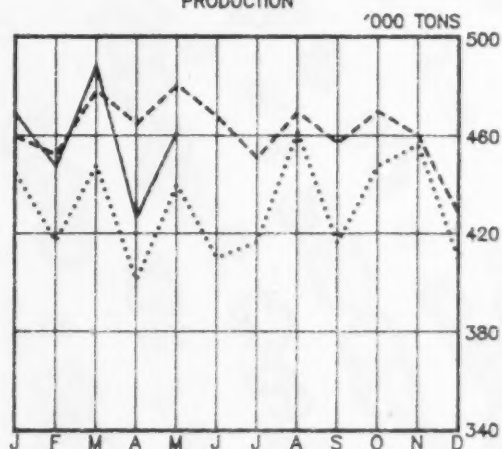
THIN PAPER PRODUCTION



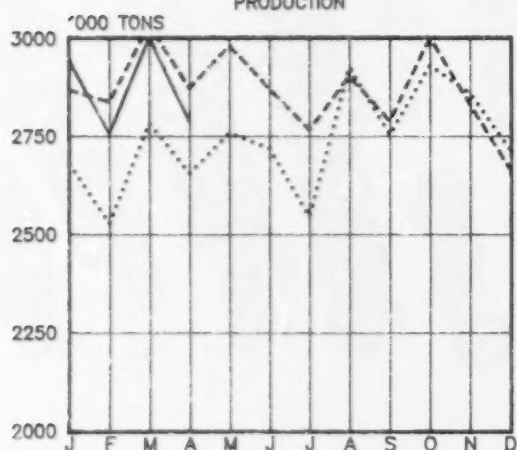
TISSUE PAPER PRODUCTION



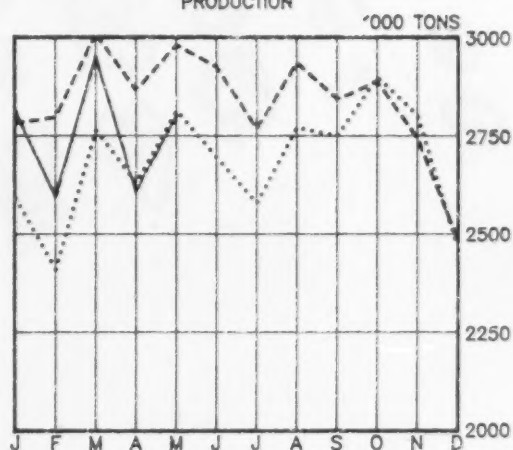
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1983 1984 -----1985 ———

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

		YEAR		JAN.	FEB.	MAR.	APR.	Annual	% Change
		1983	1984	1985	1985	1985	1985	Rate	from same
								Y-T-D	Period
								1985	Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88876	7481	7068	7483	7009	87123	-1.4
	- Total Consumpt	85442	87646	7413	6981	7551	7148	87579	-1.0
	- Residues *	32755	32072	2425	2407	2654	2659	30435	-7.8
	- Inventories	5229	5574	5552	5453	5256	5136	5136	7.5
So. Atlantic									
	- Total Receipts	25736	27654	2354	2312	2396	2239	27903	9.3
	- Total Consumpt	25847	27344	2325	2270	2507	2284	28158	8.1
	- Residues *	7904	8198	628	710	642	623	7959	0.2
	- Inventories	1163	1444	1478	1450	1312	1296	1296	44.0
Northeast									
	- Total Receipts	7051	7665	727	671	657	542	7791	0.6
	- Total Consumpt	7274	7474	682	628	680	685	8025	-0.4
	- Residues *	1199	1501	123	121	144	142	1501	15.2
	- Inventories	577	590	606	664	640	490	490	6.8
South Central									
	- Total Receipts	29409	30693	2503	2353	2741	2556	30459	1.0
	- Total Consumpt	29152	30502	2571	2439	2699	2435	30432	1.0
	- Residues *	9218	9059	747	749	804	820	9360	4.6
	- Inventories	1536	1304	1186	1022	1063	1170	1170	-14.9
North Central									
	- Total Receipts	6265	6872	697	596	487	392	6516	-8.9
	- Total Consumpt	6343	6563	559	500	543	524	6370	-6.7
	- Residues *	1822	1472	126	102	120	108	1368	-6.7
	- Inventories	851	906	1016	1064	1019	879	879	-1.2
West									
	- Total Receipts	16014	15992	1200	1136	1202	1280	14454	-17.9
	- Total Consumpt	16826	15763	1276	1144	1222	1220	14586	-16.1
	- Residues *	12612	11842	801	725	894	966	10158	-23.4
	- Inventories	1102	1330	1266	1253	1222	1301	1301	12.8

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

28-Jun-85

U N I T E D S T A T E S T R A D E W I T H C A N A D A

IMPORTS FROM CANADA

		YEAR 1984		MAR.	1985	APR.	1985	Annual	% Change
		Tons	\$000's	Tons	\$000's	Tons	\$000's	Rate	from same
								Y-T-D	Period
								1985	Last Year
Pulpwood, Roundwood									
(in cords of 128 cubic feet)		207520	10591	96	10	2056	170	51816	-66.0
Pulpwood chips		2061270	45353	61664	1802	60270	1869	950724	-66.9
Wood Pulp, Total									
4059913		1678908	402526	143846	122562	112806	4148131	4.3	
Waste Fibrous Materials, Total									
151957		25187	16382	3101	15023	3024	164177	5.2	
Paper, Board & Products, Total									
9401285		4048656	903056	389457	841606	371465	9796257	11.4	
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.									
9110254		3927255	825503	378866	815507	260790	9722681	11.4	
Paper, Paperboard & Products									
8948073		3946084	866251	380728	807471	363656	9430960	12.3	
Paper & Paperboard, Only									
8877742		3824684	858699	368136	801873	352981	9357386	12.3	
Paper, Total									
8662094		3762205	844857	364283	784416	349392	9208066	13.9	
Newsprint									
7681341		3224596	758736	316195	712854	308063	8254023	14.5	
Printing, Writing & Rel. Pap.									
852879		457438	69339	37505	62650	33176	787987	5.1	
Pack. & Ind. Conv. Paper									
101131		59408	11382	6719	9671	5291	112595	7.9	
Special Industrial Paper									
3232		5437	503	729	278	321	3454	14.2	
Tissue Paper									
23512		15326	4897	3135	3963	2941	50007	234.5	
Paperboard, Total									
215648		62479	13841	3853	12457	3590	149319	-40.1	
Convtd Papers&Paperbd Products									
70331		121401	7553	12592	6099	10675	73574	12.8	
Wet Machine Board									
2098		1426	262	173	160	111	1740	-36.7	
Construction Paper & Board									
451113		101146	16543	8557	33475	7698	363557	-7.2	

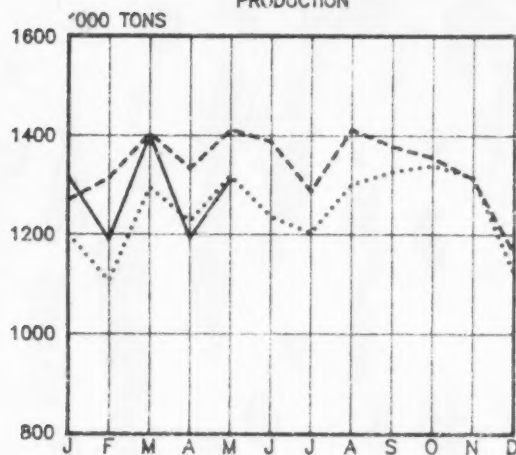
Pulpwood, Roundwood									
(in cords of 128 cubic feet)		25117	5698	392	22	5644	356	29892	-34.7
Pulpwood chips									
29445		1544	3213	240	18932	1012	88863	174.0	
Wood Pulp, Total									
181950		82653	21741	8636	12523	5326	215445	25.2	
Cotton Pulp & Other Pulp									
10474		6605	559	388	379	222	12849	6.9	
Waste Paper									
325712		37937	20506	2448	18144	1954	236790	-22.1	
Paper, Board & Products, Total									
756499		524570	62362	43986	65585	44164	740436	-4.7	
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.									
569696		358082	47999	30678	52206	30761	576027	4.0	
Paper, Paperboard & Products									
726888		511454	60147	43042	63613	43292	715179	-4.2	
Paper & Paperboard, Only									
540085		344966	45983	29735	50234	29889	550769	5.2	
Paper, Total									
296791		245610	29850	22051	25132	21375	308950	1.7	
Newsprint									
4463		1678	214	197	405	352	3566	-43.6	
Printing, Writing & Rel. Pap.									
137839		125802	13186	11852	14719	12729	160182	16.6	
Pack. & Ind. Conv. Paper									
16661		26918	3837	2306	2793	2046	48853	2.7	
Special Industrial Paper									
104034		85328	12291	7225	6986	5846	93662	-14.5	
Tissue Paper									
3758		3883	102	471	209	302	2688	-8.6	
Paperboard, Total									
241294		49357	15733	7684	25102	8514	241820	10.0	
Convtd Papers&Paperbd Products									
186603		166488	14564	13307	13379	13403	164410	-26.3	
Wet Machine Board									
5312		3707	267	196	400	315	4977	11.8	
Construction Paper & Board									
24249		7404	2149	747	1572	557	20280	-21.6	

SOURCE: Bureau of Census, Department of Commerce

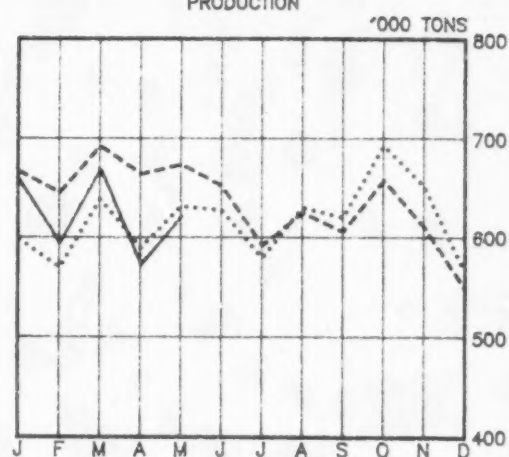
K - Estimate of tonnage based on square foot data

28-Jun-85

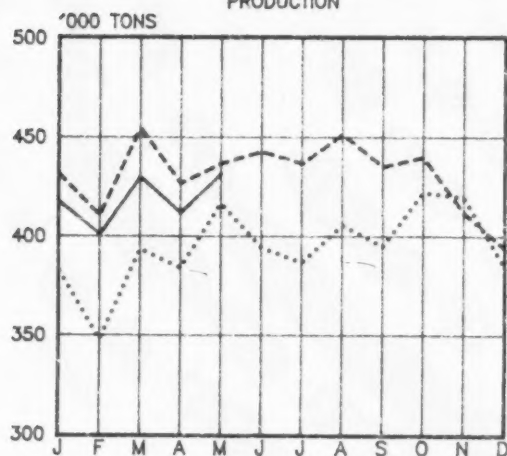
UNBLEACHED KRAFT LINERBOARD
PRODUCTION



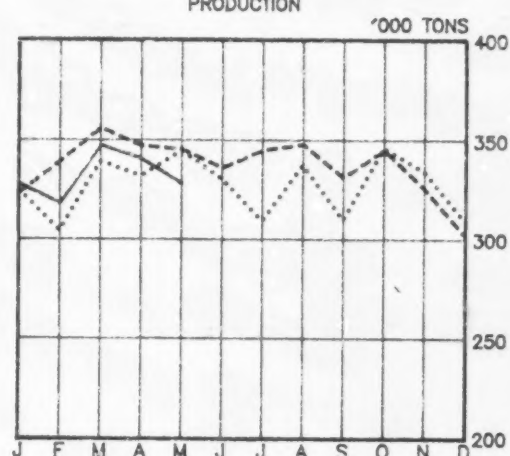
RECYCLED PAPERBOARD
PRODUCTION



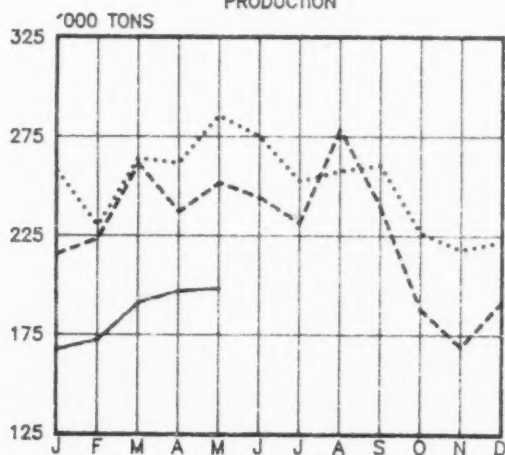
SEMICHEMICAL PAPERBOARD
PRODUCTION



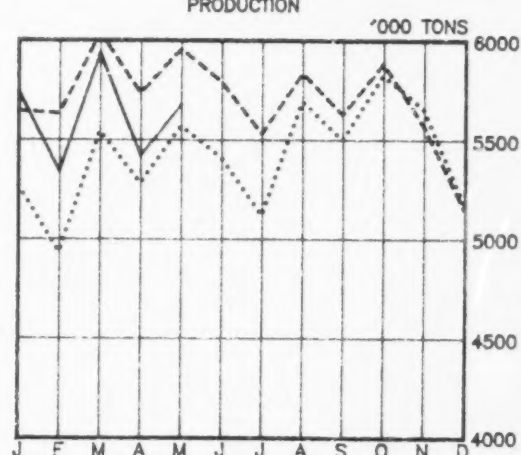
SOLID BLEACHED PAPERBOARD
PRODUCTION



PAPERBOARD FOR EXPORT
PRODUCTION



TOTAL PAPER AND PAPERBOARD
PRODUCTION



1983 1984

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IMPORTS

	YEAR 1984		MAR 1985		APR 1985		(1) Annual Rate Y-7-D 1985	% Change from same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood Roundwood (cords)	207733	10615	96	10	2056	170	51891	-66.0
Pulpwood Chips	2062543	45396	62266	1815	60306	1874	952743	-66.8
Total All Imports	15739471	7204351	1564951	689269	1330241	603789	16313617	10.4
Wood Pulp Total	4490081	1844768	459812	162577	334980	117076	4463976	3.6
Waste Paper	109712	11692	8152	960	6827	827	83169	-21.1
Other Fibrous Materials	64367	24097	9965	3098	9860	3260	101872	50.3
Paper Board & Products Total	11075312	5323794	1086823	522634	978574	482627	11664600	13.3
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	10854312	4781475	1064118	472347	959537	434636	11424903	13.2
Paper Ppbd & Prds ex Cnsts&WMB	10575656	5207697	1045550	512427	940156	473442	11244851	14.1
Paper & Paperboard Only	10354656	4663378	1022846	462140	921119	425451	11005155	14.0
Paper Total	10112041	4591486	1006543	457196	906527	420740	10822361	15.3
Newsprint	7893877	3299570	790582	327806	742662	320403	8580360	16.8
Printing & Writing	2042368	1168989	194572	114144	145958	88622	2026279	8.5
Uncoated Groundwood	1090049	548791	100342	51487	78692	42499	1075271	13.7
Coated Print. & Impreg. Pap.	428274	295844	63300	43804	40672	29973	617274	107.0
Uncoated Free Sheet	476950	284057	28212	16526	24049	13902	307596	-45.8
Uncoated Book	254926	156296	13512	8172	11441	6830	150848	-48.0
Writing and Similar Paper	222024	127761	14699	8353	12607	7072	156748	-43.5
Thin (except Cigarette)	46427	39513	2683	2289	2463	2170	25217	-54.0
Bristols	667	784	37	39	83	78	921	41.5
Total Pkg & Other Paper	145484	102565	16161	11883	13665	8970	162167	1.8
Unbleached Kraft Paper	42854	19568	4771	2077	4420	1861	48155	-12.0
Other Pkg. & Indust. Paper	102629	82997	11390	9806	9246	7109	114012	9.1
Tissue	30312	20362	3367	3362	4242	2746	53555	203.1
Paperboard, Total	242515	73892	16303	4944	14591	4711	182793	-31.6
Test or Containerboard	70028	22218	5431	1806	4678	1555	53572	-33.9
Semi-Chemical Corrugating	103968	26098	5282	1175	4058	881	55729	-53.4
Other Paperboard	68620	25576	5590	1963	5855	2275	73492	10.1
Convtd Paper&Paperbd Products	221000	542319	22705	50288	14037	47990	239696	19.6
Paper Products, Total	186199	474151	20076	45788	16899	42965	214433	24.5
Paperboard Products, Total	34800	68168	2629	4499	2138	5026	25263	-10.3
Wet machine Board	2826	2017	350	299	229	198	2937	-16.4
Construction Paper & Board	496830	114080	40923	9908	38189	8987	416812	-4.3
Notes								
Other: No Weight Avail. (\$000)		195737		18358		16432	197556	9.9
Total Imports Incl. Other(\$000)		7400088		707627		620220	7620369	13.2

EXPORTS

							(1) Annual Rate Y-7-D 1985	% Change from same Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood Roundwood (cords)	95441	5714	392	22	5694	356	29892	-36.1
Pulpwood Chips	2325213	164058	200596	14699	221022	16145	2341425	3.1
Total All Exports	11300450	4524778	1070261	392536	978486	357603	11303451	3.1
Wood Pulp Total	3593585	1501948	398572	153716	327837	116770	3749475	4.2
Cotton Pulp and Other Pulp	84883	63545	6476	4289	7763	5062	92784	-2.4
Waste and Old Paper	3235441	408128	303944	33942	287371	31925	3389991	14.2
Paper, Board & Products, Total	4386541	2551157	361269	200589	356015	203846	4071201	-4.9
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3818804	1789129	319287	142127	309801	140446	3517301	-3.6
Paper, Ppbd & Prod ex Cnsts&WMB	4308873	2507184	355434	197415	350952	201039	4002185	-4.6
Paper & Paperboard, Only	3741136	1745156	313453	138952	304738	137638	3468285	-3.2
Paper, Total	810547	632490	74040	50889	68765	51694	847639	7.3
Newsprint	306198	133964	25489	10044	30865	12044	343757	20.1
Printing & Writing	203156	219922	17979	18240	19308	18900	222639	6.2
Uncoated Groundwood	30405	28875	3138	2750	3709	3344	40382	37.1
Clay Coated Paper	85714	71365	7736	6231	7390	6132	85063	-11.4
Uncoated Free Sheet	65410	87255	5452	7085	7645	7877	2222	22.2
Other Printing & Writing	21627	32427	1653	2175	1405	1847	18417	-7.1
Total Pkg. & Other Paper	284185	259323	25106	20937	17332	19058	253770	-8.0
Unbleached Kraft	106712	44382	5127	2404	3941	2001	67955	-36.2
Other Pkg. & Indust. Paper	177473	214941	19980	18533	13391	17057	185815	9.7
Tissue	17009	19281	5465	1668	1260	1692	27473	51.7
Paperboard, Total	2930588	1112666	239413	88063	235973	85944	2620646	-6.2
Solid Wood Pulp	2761732	1040239	225915	81636	217868	79231	2407134	-9.2
Total Linerboard	2058034	628531	165340	44861	148576	40742	1709010	-10.8
Bleached Kraft Linerboard	141367	57788	12807	3986	6583	2239	124068	-12.0
Unbleached Kraft Linerbd	1916667	570743	152532	40874	141993	38504	1584941	-10.7
Other Unbleached Kraft	110878	51270	7939	3680	10954	4218	89183	-2.1
Other Bleached Kraft	543209	348218	45971	31466	51741	32507	546348	-5.2
Semi-Chemical Corrugating	49612	12220	6665	630	6598	1764	62394	75.0
Recycled Paperboard	168856	72427	13498	6427	18105	6714	213512	49.3
Convtd Paper&Paperbd Products	567737	762028	41981	58462	46214	63401	533900	-12.8
Paper Products, Total	286403	516149	21456	39189	22262	43170	257762	-20.6
Paperboard Products, Total	281334	245879	20526	19273	23452	20230	276139	-3.9
Wet Machine Board	13782	7335	669	325	1370	714	12692	3.6
Construction Paper & Board E	63887	36638	5155	2850	3693	2094	56325	-23.5
Notes								
Other: No Weight Avail. (\$000)		8843		531		623	6778	-7.3
Total Exports Incl. Other(\$000)		4533621		393066		358227	4258763	-2.1

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	FEB.	MAR.	APR.	MAY	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	297.4	295.4	294.1	293.3	295.6	2.9
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	293.8	299.2	297.5	296.7	295.8	297.8	3.3
Total Wood Pulp	347.1	395.0	368.4	353.9	347.9	342.4	359.2	-6.0
Total Paper	282.3	303.2	304.7	303.7	303.6	304.6	304.7	2.1
Total Paper, exc. Newsprint	277.0	301.2	299.7	298.4	297.9	300.1	299.8	0.5
Newsprint	303.0	324.1	332.4	332.4	332.6	332.9	333.4	6.5
Total Paperboard	250.8	280.6	287.8	285.7	284.0	282.1	285.7	5.2
Total Paper and Paperboard *	272.4	296.1	299.4	298.1	297.5	297.5	298.8	3.0
Converted Products	265.4	280.7	291.0	290.4	290.0	288.8	289.8	5.2
Waste Paper	158.6	240.1	192.6	170.2	154.4	144.0	170.4	-29.1
All Commodities	303.1	310.4	309.2	308.7	309.3	309.9	309.4	-0.3
Industrial Commodities	315.7	322.6	322.5	322.6	323.8	325.3	323.5	0.6

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

14-Jun-85

Paper Plus Paperboard

	<u>Production</u>	<u>Imports</u>	<u>Exports</u>	<u>New Supply</u>	Real GNP (Bil. 1972 \$)	N.S. to Real GNP 000T / Bil. \$
	----- (000 Tons, Annual Rate) -----					
1976	55,151	7,042	3,388	58,805	1,298.2	45.3
1977	56,823	7,294	3,171	60,946	1,369.7	44.5
1978	58,744	8,781	3,301	64,224	1,438.6	44.6
1979	61,271	8,738	3,610	66,399	1,479.4	44.9
1980	61,147	8,304	5,148	64,303	1,475.0	43.6
1981	62,262	7,941	4,561	65,642	1,513.8	43.4
1982	59,456	7,602	4,187	62,871	1,485.4	42.3
1983						
I	62,315	7,654	4,244	65,725	1,491.0	44.1
II	63,820	8,643	4,726	67,737	1,524.8	44.4
III	65,967	8,279	4,657	69,589	1,550.2	44.9
IV	67,898	9,461	4,377	72,982	1,572.7	46.6
Average	65,000	8,509	4,501	69,008	1,534.7	45.0
1984						
I	68,066	9,967	4,209	73,824	1,610.9	45.8
II	68,899	10,587	4,752	74,734	1,638.8	45.6
III	69,099	11,389	4,461	76,027	1,645.2	46.2
IV	67,764	10,360	3,812	74,312	1,662.4	44.7
Year	68,457	10,575	4,309	74,724	1,639.3	45.6
1985						
I	67,770	10,575	3,766	74,579	1,665.4	44.8

The current trend in new supply stands in contrast with that of the preceding two years. The recession of 1982 had brought paper and paperboard new supply to a five-year low. The recovery started in the first quarter of 1983, and from then through the third quarter of 1984 new supply rose at a faster rate than did the real gross national product (real GNP). The new supply/real GNP ratio rose from its first quarter 1983 level of 44,100 tons to a high of 46,200 tons per billion dollars.

Even though the fourth quarter 1984 rate moved downward, the 1984 average ratio of 45,600 tons per billion dollars of the real GNP was the highest since the onset of the 1975 recession.

Since the third quarter of 1984, however, the trend in paper and paperboard new supply has lagged that of real GNP, bringing the ratio down to an estimated 43,000 tons per billion dollars of the real GNP in the April-May 1985 period and the five-month 1985 average to about 44,000 tons, which is about equal to the average 1979-1980 rate.

The lower table on page 10 shows the annual averages of the ratios of new supply to real GNP for the years 1976 through 1982, together with quarterly data for 1983, 1984, and the first quarter of 1985. The table also shows the data required to calculate these ratios.

The quarterly ratios of new supply of new supply to real GNP shown in this table trace a classic example of the normal response of the demand for the products of the paper industry to the business cycle. During the upward phase of the cycle, such as the one that began in early 1983 and continued through the third quarter of 1984, the demand for paper tends to rise faster than real GNP as new paper-using businesses are formed, old users expand their usage and replenishment of inventories begins. When real GNP slows down, the growth of new business formation declines and attitudes toward inventory change. Paper demand is in this stage of a maturing recovery.

If the consensus of economic forecasts is correct, and real GNP moves upward during the last half of the year, paper and paperboard demand should remain steady.

Technical Note: The seasonally adjusted data shown in the table on the bottom of page 10 and on page 3 are based on a new analysis of the seasonal patterns of paper and paperboard. This new analysis was made using the Census X-11 program with data for the years 1977 to 1984. The analysis included both the trading day and seasonal adjustment factors.

FIBROUS RAW MATERIALS

Although total paper and paperboard production is below year-ago levels, market pulp production showed a small increase. Production of paper grade market pulp in the first five months of 1985 averaged 5.6 million tons per year, 0.8% ahead of its year-ago total. Shipments of these pulps, however, were about this same percentage below their year-ago level with shipments to the domestic market, 7.5% below their comparable 1984 level and exports 5.9% higher. The data show a 39% increase in shipments to markets other than Western Europe and Japan. Shipments to Western Europe declined by 8%, while shipments to Japan fell 9%. The major purchasers included in the "other" group are Mexico and Venezuela in the Latin American area, and the Peoples Republic of China and the Republic of Korea in the Asian area.

Although inventories of chemical paper grade market pulp as of the end of May were 72% above their year-ago level, there has been a sizable reduction in these inventories since the peak reached at the beginning of 1985. The table on the bottom of page 5, which provides data on inventories of all paper grade market pulp held at pulp mills for the period January through April 1985, shows that these mills had 37 days of supply on hand as of the end of April 1985, compared to 50 days of supply at the beginning of the year. At the end of April 1984, however, these mills had held only 22 days of supply.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

June 28, 1985

	PRODUCTION (000 TONS)						% Change 85/84
	May 85	Apr. 85	May 84	Jan. 85	- 84	May 84	
PAPER GRADES	P	R					
Newsprint	461	427	481	2292		2335	-1.8
Printing & Writing	1539	1585	1607	7811		7798	0.2
Uncoated Groundwood (s)	123	123	133	619		670	-7.6
Coated Paper (s)	494	517	548	2613		2617	-0.2
Uncoated Free Sheet Paper (s)	810	833	805	4018		3925	2.4
Thin Paper (s)	24	23	24	118		118	0.0
Cotton Fiber Paper (s)	11	12	13	59		63	-6.3
Bleached Bristols (s)	77	78	84	384		404	-5.0
Tissue Paper	440	399	412	2077		2030	2.3
Total Pkg & Other Paper	444	406	481	2194		2430	-9.7
Unbleached Kraft Packaging & Indl. Converting (s)	290	258	310	1439		1586	-9.3
Other Paper *	154	148	172	755		844	-10.5
TOTAL PAPER	2884	2816	2981	14374		14593	-1.5
PAPERBOARD GRADES							
Unbleached Kraft Paperboard	1418	1284	1526	6899		7227	-4.5
Unbleached Kraft Linerboard	1312	1193	1413	6411		6736	-4.8
Other Unbl. Kraft Paperboard	107	91	113	488		490	-0.5
Semichemical Paperboard	431	411	437	2089		2158	-3.2
Bleached Paperboard	328	341	346	1664		1713	-2.9
Recycled Paperboard	621	572	674	3116		3343	-6.8
TOTAL PAPERBOARD	2799	2609	2982	13768		14441	-4.7
TOTAL PAPER AND PAPERBOARD	5684	5424	5963	28142		29034	-3.1
WOOD PULP (ALL GRADES)	Apr. 85	Mar. 85	Apr. 84	Jan. 85	- 84	Apr. 84	% Change 85/84
Dissolving & Special Alpha	104	118	117	427		426	0.2
Bleached Sulfite	135	123	129	481		467	3.1
Unbleached Sulfite	27	26	24	89		95	-6.3
Bleached & Semi-Bl. Sulfate	1823	1993	1887	7559		7437	1.6
Unbleached Sulfate	1528	1750	1733	6495		6923	-6.2
Semichemical	340	349	347	1355		1382	-2.0
Groundwood & Thermomechanical	445	483	472	1812		1854	-2.3
TOTAL PULP DIVISION DATA	4403	4843	4708	18216		18584	-2.0

(s) - Shipments
P - Preliminary

R - Revised

June 28, 1985

	Full Year		INDUSTRY DATA 1984-1985			Ann. Rate Year - To - Date	% From Same Pd. Last Year
	1983	1984	R	R	P		
PAPER AND PAPERBOARD -- Tons (000)			March	April	May	1985	
Total Production (API)..... excluding	65000	68457	5945	5425	5684	67542	-3.1
Total Seasonally Adjusted.....construction:...			5633	5341	5454	66570	-2.4
Imports (including Products): and wet ...E	8509	10576	1046	940	920	11204	11.8
Exports (including Products): machine ...E	4501	4309	355	350	355	4052	-7.3
Apparent Consumption..... grades	690084	74724b	6323	5931	6019	73722c	-0.1
Paper Production & Tonnage Capacity.....	92.0g	93.4g	93.2	90.3	89.4	91.7gh	-
Paperboard Production & Tonnage Capacity.....	90.8g	94.8g	94.7	85.9	86.7	90.6g	-
IMPORTS.....Including Construction and	8985	11075	February	March	April	11664	13.3
EXPORTS..... WMB Grades (excl. HPB)	4568	4387	293	361	356	4070	-5.0
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6891	588	609	564	7020	2.6
TOTAL WOOD PULP PRODUCTION - Tons (000).....(f)....	52537	55549	4376	4843	4403	54651	-2.0
WOOD PULP IMPORTS - TONS (000).....	4093	4490	380	460	335	4464	3.6
WOOD PULP EXPORTS - TONS (000).....	3644	3594	223	399	328	3753	4.3
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS : excluding :			February	March	April		
Wood Pulp.....consumption for:.....	51434	54641	4266	4778	4344	53561	-2.4
Waste Paper.....construction & E	14696	15889	1179	1360	1246	15419	-3.2
TOTAL..... WMB grades :.....	66130	70530	5445	6138	5590	68980	-2.6
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	83608	87646	6981	7651	7148	87579	-1.0
EMPLOYMENT (000)			March	April	May		
Paper and Allied Products.....Total.....E	661.6	682.3	678.9	678.3	680.5	679.1	0.4
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	257.6	257.5	257.5	259.8	-0.9
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.64	10.72	10.72	10.69	4.1
Pulp, Paper Mills.....E	11.70	12.45	12.79	12.85	12.85	12.83	5.5
Paperboard Mills.....E	12.11	12.99	13.32	13.46	13.48	13.34	5.1
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS (Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*	5.92	7.15	1984 Q3	1984 Q4	1985 Q1	7.83y	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			February	March	April		
..IN PULP, PAPER :...Production Workers.....	118.0	120.0	111.4	125.8	120.1	117.4	-1.2
..AND BOARD MILLS:..All Employees.....	116.9	118.8	109.6	123.8	118.4	115.8	-2.2
PAPER AND ALLIED PRODUCTS (Million \$)			February	March	April		
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8140	8047	7995	96876	3.8
Pulp, Paper and Paperboard*.....	36346	41539	3530	3504	3531	42168	3.9
Inventories (End of Period) - Total Industry*..	8729	9701	9883	9942	9876	9876	8.3
Pulp, Paper and Paperboard*.....	3263	3662	3773	3814	3762	3762	13.1
Sales (Corporations Only).....	65008	71891	1984 Q3	1984 Q4	1985 Q1	53391	-1.5
Earnings (Corporations Only).....	2327	3015	18096	17642	17797	2154	-8.6
Depreciation (Corporations Only).....	2607	2798	951	493	718	2295	9.9
Net Worth (Corporations Only).....	27219	28160	28806	28160	29241	29241	4.9
PRICE INDEXES (Bureau of Labor Stats)1967=100			March	April	May		
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	295.4	294.3	293.3	295.6	2.9
Wood Pulp.....	347.1	395.0	353.9	347.9	342.4	359.2	-6.0
Waste Paper.....	N.A.	240.1	170.2	154.4	144.0	170.4	-29.1
Paper.....	282.3	303.2	303.7	303.6	304.6	304.7	2.1
Paperboard.....	250.8	280.6	285.7	284.0	282.1	285.7	5.2
PAPER DEMAND (INDEXED: 1967=100)			March	April	May		
Total Paper Production	157.0	164.3	163.5	159.6	160.6	162.9	-0.9
Paper New Supply	147.2	160.0	166.6	159.2	159.1	161.4	2.4
Total End - Use Index	157.8	172.5	176.0	177.9	178.5	176.8	4.4
Production of Nondurable Goods *...(19%)...	168.0	179.4	179.4	179.8	179.7	179.5	1.0
Disposable Income (Constant \$) *...(23%)...	163.4	174.6	174.8	180.5	182.9	178.6	3.7
Total Printing and Publishing *...(58%)...	152.3	169.4	175.3	176.3	176.4	175.3	5.9
Trend Factor						Not Available	
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production	141.2	148.9	146.3	134.5	139.6	142.4	-3.9
Production for Domestic Use	135.5	145.4	153.9	134.4	144.9	143.1	-3.1
Total End - Use Index	148.9	161.6	163.0	162.6	162.5	162.6	1.6
Production of Consumer Goods *...(60.49%)...	151.8	161.6	162.6	162.4	162.4	162.3	1.2
Production of Equipment *...(6.62%)...	140.8	164.0	173.0	173.5	173.2	173.0	10.0
Production of Materials *...(32.89%)...	145.2	161.1	161.8	160.9	160.4	161.0	0.7
Trend Factor						Not Available	
NEWSPRINT MARKETS			February	March	April		
Consumption by Publishers - Tons (000).....	11671	12612	955	1107	1048	12216	1.3
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	448.9	449.7	449.7	449.1	2.7
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	11852	13418	14186	146147	-0.2
WHOLESALE SALES AND INVENTORIES (Million \$(j))							
Total Paper & Pap. Prdcts., ex Wallpaper..Sales	22776	26532	2639	2882	2932	33774	12.9
Inventories (End of Period).....	1885	2341	2886	2874	2972	2972	21.2
FIBRE BOX DATA (Fibre Box Association)			March	April	May		
Fibre Box Shipments (Million square feet).....	252539	248538	21727	22574	22345	263407	-2.5
Container'bd Inventory at Mill & Plant(000Tons).	2437	2882	3023	2987	2904	2904	14.3
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	111854	114584	113678	1351642	5.9
Nondurable Goods Stores Sales *.....	793398	841417	71089	72018	72040	855648	2.7
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.3	165.9	165.5	165.3	165.4	2.9
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)...	303.1	310.4	308.7	309.3	309.9	309.4	-0.3
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	318.8	320.1	321.3	318.7	3.6
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...	387.9	461.0	February	March	April	479.9	14.8
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions\$)...			1984 Q3	1984 Q4	1985 Q1		
G.N.P. or Expenditure - Current \$.....	3304.8	3662.8	3694.6	3758.7	3810.6	3810.6	7.2
G.N.P. or Expenditure - 1972 \$.....	1534.7	1639.3	1645.2	1662.4	1663.5	1663.5	3.3

1b/capita

Paps&Pabpd Othr Totl Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 627 + 18 = 645 234.9

.E - Last month estimated by API

.o - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

Paper Paperboard & Wood Pulp

A2500-2

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 7

JULY 1985

PAPER AND PAPERBOARD PRODUCTION: TREND FLAT

Production of paper and paperboard in June, 1985 held close to its May rate, with a small increase in paper output offset by a slight decline in paperboard.

Paper production has drifted down during the first six months of the year, with the average rate of production (seasonally adjusted) in the second quarter about 2.6% below the first quarter average. Actually, paper production has been following a basically flat trend since the beginning of 1984. The seasonally adjusted rate of production in the first half of 1985 was only 1.2% below the comparable 1984 rate. The additional 0.7% decline in the actual production totals between the first half of 1984 and the first half of 1985 reflected the added output gained in the first half of 1984 because of leap year. (See Table on Page 3.)

Paperboard production followed a somewhat different pattern. The seasonally adjusted total in the first half of 1985 was 3.9% below the comparable year-ago figure; the unadjusted total was down 4.6%. A break came in the paperboard trend in April 1985, when the seasonally adjusted rate of production fell 8.5% below the first quarter average. Shut downs, concentrated largely in the containerboard and recycled paperboard mills, permitted a run off of excess inventories. Production turned upward in May, with weekly production data showing only small changes during May and June.

Paper: The modest decline in the production of all paper grades in the first half of the year masked large differences in the trends of the individual grades. Total printing and writing paper production in the first half of the year held close to its year ago level, while newsprint production showed a 2.2% decline. Tissue paper production rose by 1.6%; packaging and industrial grades showed a 9.5% decline (see table on page 3 and yellow industry fact sheet).

Continued on Page 2

Newsprint: The consumption of newsprint by newspaper publishers in the first half of 1985 ran at an average rate of 12.6 million tons per year, about 1% above the year ago rate. Domestic production of newsprint, as noted above, was down by 2.2%; the increase in demand was met by imports. The data from the Bureau of Census show that imports of newsprint in the first five months of 1985 were at an annual rate of 8.6 million tons, 15% over the comparable 1984 period. Domestic newsprint mills in the U.S. operated at 95% of the available capacity in the first half of this year.

Groundwood Papers: Shipments of groundwood paper in the first half of 1985 were 8.1% below the comparable year ago level, by far the largest decline in production in the white paper grades. Imports of these grades in the first five months of 1985 were at an annual rate of 1.1 million tons, 9.3% above the year earlier total; equivalent to 43% of the total new supply. The weakness in demand in domestic production of these papers reflected declines in shipments to "other periodical" publishers, commercial printers and paper converters. The largest market for uncoated ground paper is "other periodical" publishers with catalogs and directories the largest end products.

Coated papers: The demand for coated papers experienced the steepest up-trend in the paper industry during the past four years. However, domestic production appears to have topped out with the shipments in the first half this year 2% below their year-ago level. Data through May 1985 indicate that shipments to magazine, other periodical and book publishers were above their respective year-ago levels, while shipments to commercial printers and label and wrap manufacturers showed small declines.

Imports of coated papers rose 85% (see table on page 9), while exports declined 13%, bringing new supply 2% above its year-ago rate. So far this year imports of coated papers have accounted for nearly 9% of the total new supply, compared to 6.5% for all of 1984.

Uncoated Free Sheet Paper: By way of contrast to the trend of groundwood and coated papers, shipments of uncoated free sheet papers in the first half were 2.5% above those of the first half of 1984. New orders were higher - about 7% above their year-ago total. However, the unfilled order backlog as of the end of June 1985 was more than 25% below the year-earlier level.

PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

	YEAR		MAR.	APR.	MAY	JUNE	Annual	% Change
	1983	1984	1985	1985	1985	1985	Rate	From same
							Y-T-D	Period
							1985	Last Year
PAPER								
Newsprint - Production	5167	5539	489	427	461	449	5483	-2.2
- Shipments	5153	5584	477	450	452	448	5457	-4.4
Printing & Writing sum	17370	18403	1618	1584	1548	1486	18611	-0.4
Groundwood Paper - Shipments	1531	1565	129	123	116	124	1472	-8.1
- New Orders	1581	1601	118	112	119	153	1485	-8.2
-Unfilled Orders	145	164	132	115	121	148	148	-6.2
Coated Papers - Shipments	5716	6249	540	516	496	468	6163	-2.0
- New Orders	5864	6292	472	508	459	498	5894	-6.0
- Unfilled Orders	513	586	459	468	421	442	442	-18.9
Unctd Free Sheet - Shipments	8780	9207	830	832	823	782	9626	2.5
- New Orders	9076	8939	865	853	824	763	9691	6.9
- Unfilled Orders	687	430	457	485	491	469	469	-25.7
Thin Papers - Shipments	280	275	26	23	24	25	288	0.0
Cotton Fiber Paper - Shipments	133	147	13	12	13	12	144	-5.0
Bleached Bristols - Production	931	959	80	78	77	75	918	-5.5
Tissue Paper - Production	4789	4920	428	394	419	418	4934	1.6
Total Packaging & Other Paper	5497	5555	455	406	444	418	5224	-9.5
Unbl. Kraft Paper - Shipments	3666	3666	295	258	290	267	3411	-9.6
Other Paper - Production	1832	1889	160	148	154	151	1813	-9.2
TOTAL PAPER-Production-Unadj. *	32823	34417	2990	2811	2872	2771	34251	-1.9
-Production-S.A. *			2849	2778	2787	2831	34024	-1.2
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26403	2283	2036	2178	2070	25443	-4.9
Unbl. Kraft Linerboard (1)	15001	16037	1403	1196	1316	1211	15274	-6.0
Production for Export	2281	2086	141	142	149	157	1669	-24.5
Other Unbl. Kraft Paperboard	1121	1149	103	88	102	115	1175	-1.7
Semichemical Paperboard	4731	5169	430	411	431	419	5017	-3.5
Production for Export	193	149	11	14	12	15	158	9.0
Solid Bleached Paperboard	3926	4048	348	341	328	325	3976	-3.0
Production for Export	515	478	40	43	41	40	469	-6.1
Recycled Paperboard	7398	7637	670	572	708	646	7698	-3.7
Production for Export	24	17	1	1	1	1	14	17.5
TOTAL PAPERBOARD Prod.-Unadj. *	32177	34039	2953	2609	2886	2716	33141	-4.6
- Containerboard Prod.(Dom. Use)	19173	20993	1858	1604	1748	1620	20404	-3.6
- Boxboard Prod.(Dom. Use) (2)	5551	5783	505	491	462	470	5763	-1.5
- All Other P'bd Prod.(D.U.) (2)	4441	4531	397	313	473	412	4664	-4.0
- Total Paperbd Prod.,for Export	3012	2731	194	200	203	214	2310	-19.4
TOTAL PAPERBOARD PROD.- S.A. *			2782	2558	2736	2687	32613	-3.9
TOTAL PAPER AND PAPERBOARD Production - actual *	65000	68457	5943	5420	5757	5487	67392	-3.3
Production - S.A. *			5631	5336	5524	5518	66637	-2.6

(1) Includes all exports of kraft paperboard.

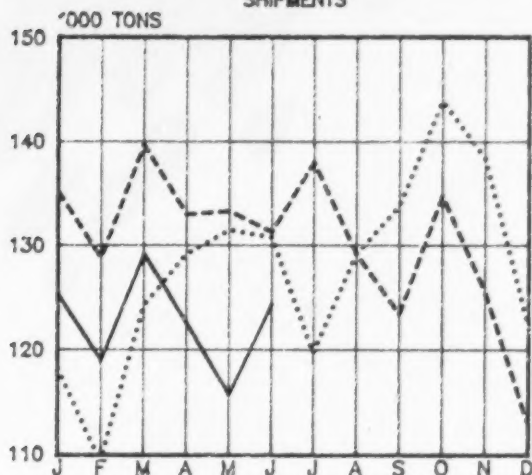
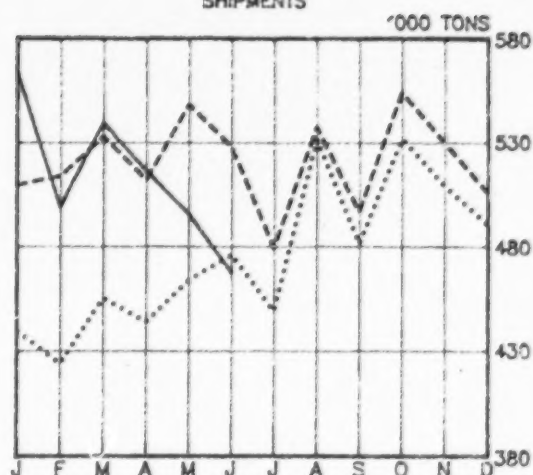
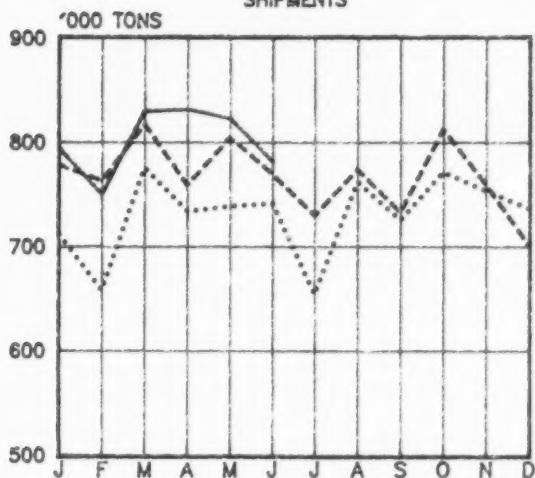
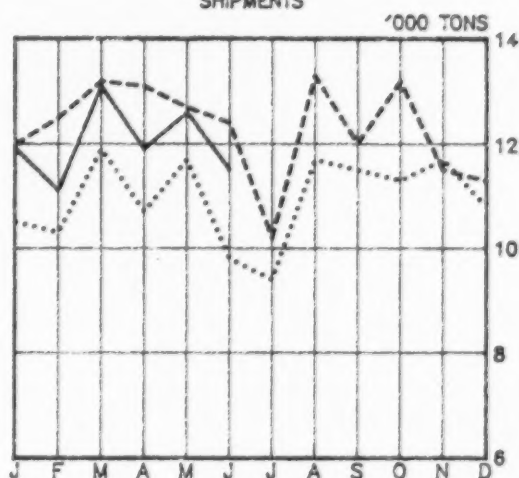
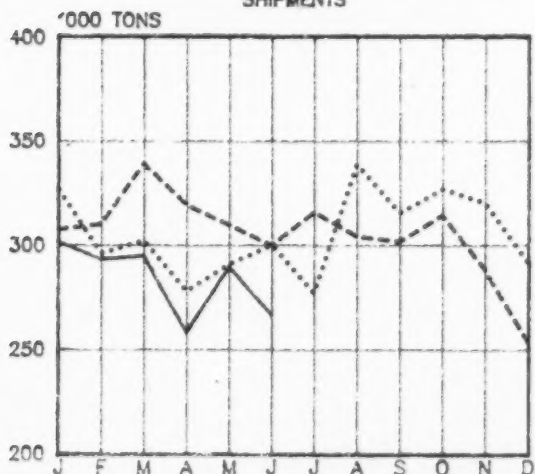
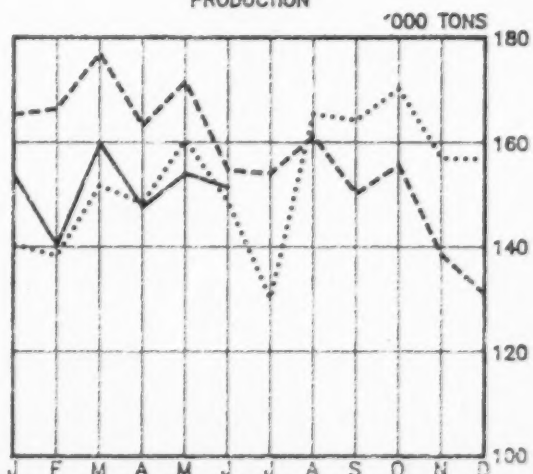
(2) Data for unbl. kraft folding boxboard incl. in All Other P'bd.

* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary

R Revised

S.A. Seasonally Adjusted

GROUNDWOOD PAPER, UNCOATED
SHIPMENTSCOATED PAPER
SHIPMENTSUNCOATED FREE SHEET PAPERS
SHIPMENTSCOTTON FIBER PAPER
SHIPMENTSUNBLEACHED KRAFT PACKAGING
AND INDUSTRIAL CONVERTING PAPER
SHIPMENTSOTHER PAPER
PRODUCTION

1983 1984

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WOOD PULP STATISTICS

(Thousands of Tons)

	YEAR		FEB	MAR	APR	MAY	Annual	% Change
	1983	1984	1985	1985	1985	1985	Rate	from same
							Y-T-D	Period
							1985	Last Year
TOTAL WOOD PULP								
Total Wood Pulp - Production	52537	55548	4373	4841	4391	4532	54546	-2.6
- Imports	4093	4490	380	460	335	380	4483	2.5
- Exports	3644	3594	223	399	328	317	3759	2.0
- New Supply	52986	56445	4531	4902	4398	4595	55270	-2.5
Dissolving Pulp - Production	1261	1206	118	118	104	112	1292	0.7
- Imports	192	161	22	21	7	13	166	-3.8
- Exports	647	595	39	89	59	46	688	8.7
- New Supply	806	772	101	50	52	79	770	-6.5
Paper Grades - Production	42358	44732	3502	3893	3506	3625	43793	-2.7
Chemical Pulp - Imports	3706	4023	333	416	324	339	4109	4.2
- Exports	2958	2945	179	206	267	262	3022	0.5
- New Supply	43106	45810	3656	4003	3562	3703	44880	-2.3
Groundwood and Thermo-Mech. - Production	5067	5509	429	481	448	443	5391	-3.1
- Imports	195	306	26	23	4	27	209	-20.2
- Exports	40	54	5	4	1	9	49	4.4
- New Supply	5222	5762	450	500	452	462	5550	-3.9
Semi-Chemical - Production	3851	4100	325	349	333	352	4069	-2.2
- Imports								
- Exports								
- New Supply	3851	4100	325	349	333	352	4069	-2.2
MARKET WOOD PULP								
Total Market Wood Pulp - Production	6478	6891	588	610	563	539	6910	1.2
- Imports	2945	3256	232	263	195	258	2879	-9.9
- Exports	3421	3511	301	364	333	351	3772	4.2
- New Supply	6002	6635	519	509	425	446	6017	-6.1
Dissolving Pulp - Production	1260	1197	118	118	104	112	1292	0.7
- Imports	210	204	21	22	8	16	182	-16.7
- Exports	698	690	64	75	58	70	706	-3.9
- New Supply	772	710	75	65	54	58	769	0.1
Paper Grades - Production	5206	5680	469	491	457	427	5607	1.3
Chemical Pulp - Imports	2698	2952	209	238	186	223	2623	-9.8
- Exports	2723	2821	237	289	275	281	3067	6.2
- New Supply	5181	5812	442	439	368	368	5164	-7.1
Groundwood Pulp and All Other - Production	12	13	1	1	1	0	12	-9.4
- Imports	38	100	2	3	1	20	73	7.2
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	49	113	3	5	2	20	85	4.9

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

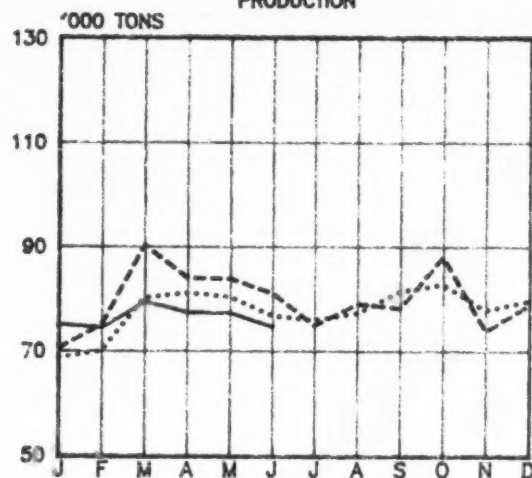
FIBROUS RAW MATERIALS

(Thousands of tons)

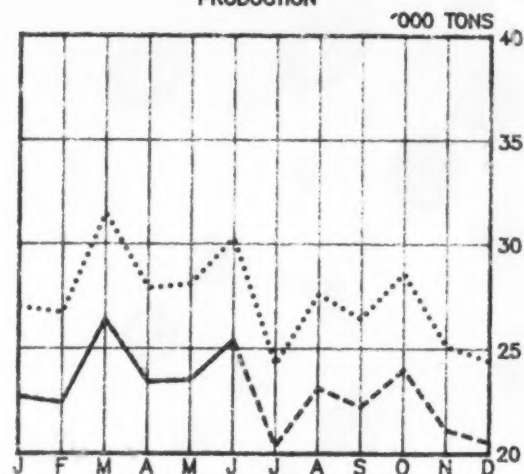
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	66130	70679	5444	6138	5584	5699	68838	-3.8
Total Wood Pulp	51434	54664	4266	4778	4339	4491	53606	-2.9
Waste Paper	14696	16015	1179	1360	1245	1208	15232	-6.7
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	172	191	165	174	174	17.4
Mkt Pulp at Pulp Mills (Paper Grades)	384	585	695	685	636	558	558	69.9
Mkt Pulp at Ppr. & Bd. Mills *	550	484	482	484	484	449	449	-28.5
Waste Paper at Paper & Bd. Mills	920	1025	1003	977	994	970	970	8.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	48	46	36	34	34	61.9

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

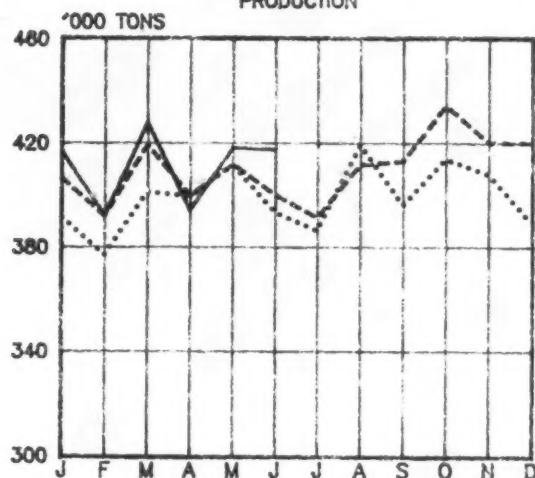
BLEACHED BRISTOLS PRODUCTION



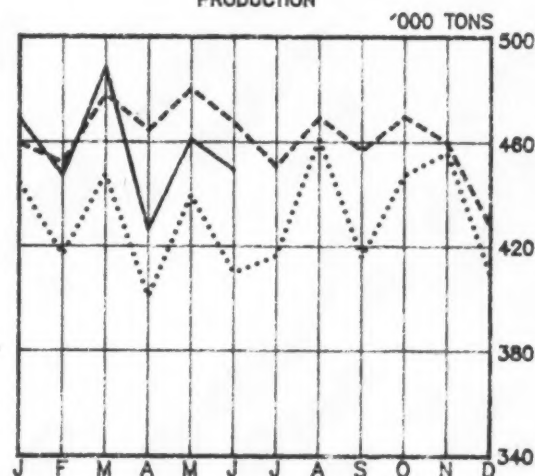
THIN PAPER PRODUCTION



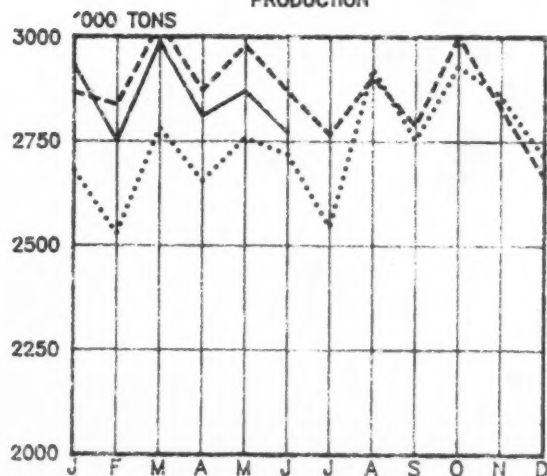
TISSUE PAPER PRODUCTION



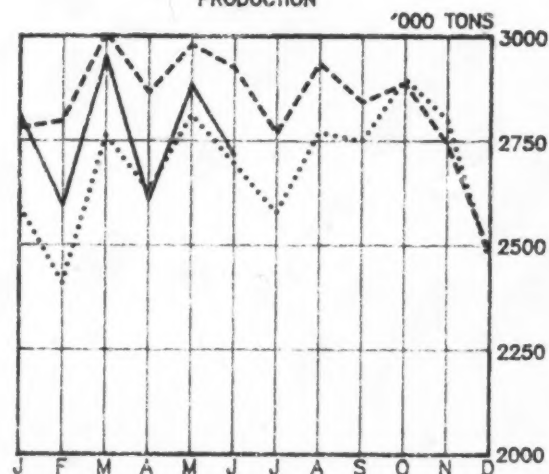
NEWSPRINT PRODUCTION



TOTAL PAPER PRODUCTION



TOTAL PAPERBOARD PRODUCTION



1983 1984

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FIBROUS RAW MATERIALS

(Thousands of Standard (128 cubic foot) Cords)

		YEAR		FEB.	MAR.	APR.	MAY	Annual	% Change
		1983	1984	1985	1985	1985	1985	Rate Y-T-D 1985	from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88876	7068	7483	7009	6958	86398	-2.5
	- Total Consumpt	85442	87646	6981	7651	7148	7072	87036	-1.8
	- Residues *	32755	32072	2407	2654	2659	2592	30569	-7.8
	- Inventories	5229	5574	5453	5256	5136	4952	4952	3.6
So. Atlantic	- Total Receipts	25736	27654	2312	2396	2239	2178	27550	6.3
	- Total Consumpt	25847	27344	2270	2507	2284	2203	27814	6.4
	- Residues *	7904	8198	710	692	623	624	7865	-2.6
	- Inventories	1163	1444	1450	1312	1296	1195	1195	15.7
Northeast	- Total Receipts	7051	7665	671	657	542	561	7579	6.2
	- Total Consumpt	7274	7474	628	680	685	600	7860	0.1
	- Residues *	1199	1501	121	144	142	142	1613	14.9
	- Inventories	577	590	664	640	490	442	442	7.8
South Central	- Total Receipts	29409	30693	2353	2741	2556	2504	30377	-0.2
	- Total Consumpt	29152	30502	2439	2699	2435	2505	30358	0.1
	- Residues *	9218	9059	749	804	820	790	9384	4.8
	- Inventories	1536	1304	1022	1063	1170	1200	1200	-13.1
North Central	- Total Receipts	6265	6872	596	487	392	503	6420	-9.0
	- Total Consumpt	6343	6563	500	543	524	551	6425	-6.7
	- Residues *	1822	1472	102	120	108	112	1363	-10.6
	- Inventories	851	906	1064	1019	879	833	833	-0.4
West	- Total Receipts	16014	15992	1136	1202	1290	1212	14472	-17.2
	- Total Consumpt	16826	15761	1144	1222	1220	1213	14580	-16.2
	- Residues *	12612	11842	725	894	966	924	10344	-21.7
	- Inventories	1102	1330	1253	1222	1301	1282	1282	14.3

* - Consumption of Residues in Cord Equivalents.

SOURCE: American Pulpwood Association

19-Jul-85

UNITED STATES TRADE WITH CANADA

IMPORTS FROM CANADA

	YEAR		APR.	1985	MAY	1985	Annual	% Change
	Tons	\$000's	Tons	\$000's	Tons	\$000's	Rate Y-T-D 1985	from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	207520	10591	2056	170	41	2	41551	-74.6
Pulpwood chips	2061270	45353	60270	1869	76769	2417	944873	-64.7
Wood Pulp, Total	4059913	1678908	322562	112806	307495	104921	4056494	1.8
Waste Fibrous Materials, Total	151957	25187	15023	3024	14320	2765	165708	3.9
Paper, Board & Products, Total	9401285	4048656	841606	371465	822126	361824	9810108	11.1
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	9330954	3927255	835507	360790	815677	352265	9735770	11.1
Paper, Paperboard & Products	8948073	3946084	807971	362656	782469	352263	9423173	11.8
Paper & Paperboard, Only	8877742	3824684	801873	352981	776220	342704	9348835	11.8
Paper, Total	8662094	3762205	789416	349392	762940	338900	9197510	13.3
Newsprint	7681341	3224596	712954	308063	683507	296415	8243635	13.8
Printing, Writing & Rel. Pap.	852879	457438	62650	33176	66943	35276	791052	6.3
Pack. & Ind. Conv. Paper	101131	59409	9671	5291	9005	4821	111688	5.2
Special Industrial Paper	3232	5437	278	321	144	262	3109	-0.8
Tissue Paper	23512	15326	3963	2541	3342	2127	48026	209.6
Paperboard, Total	215648	62479	12457	3590	13279	3804	151326	-38.6
Convtd Paper & Paperbd Products	70331	121401	6099	10675	6449	9559	74338	13.0
Wet Machine Board	2098	1426	160	111	238	153	1963	-28.7
Construction Paper & Board	451113	101146	33475	7698	39219	9409	384971	-3.3

Pulpwood, Roundwood (in cords of 128 cubic feet)	95117	5698	5694	356	6207	377	38810	-30.3
Pulpwood chips	28445	1544	18932	1012	6199	301	85968	120.2
Wood Pulp, Total	180850	82653	12523	5326	11349	4979	199690	12.3
Cotton Pulp & Other Pulp	10474	6605	379	222	547	372	11592	-0.4
Waste Paper	325712	37937	18144	1954	10595	1620	214860	-35.2
Paper, Board & Products, Total	756499	524570	65585	44164	67239	44586	753866	-7.5
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	569696	358082	52206	30761	51884	30729	590143	-0.5
Paper, Paperboard & Products	726888	511454	61613	43292	65474	43552	729280	-6.9
Paper & Paperboard, Only	540085	344966	50234	29989	52059	29695	565557	0.8
Paper, Total	296791	245610	25132	21375	25972	19698	309492	-6.3
Newsprint	4493	3678	405	352	364	352	3726	-37.7
Printing, Writing & Rel. Pap.	137819	125802	14739	12729	12917	10528	159147	9.4
Pack. & Ind. Conv. Paper	46661	26918	2793	2046	3603	1981	47729	-5.3
Special Industrial Paper	104039	85328	6986	5946	8910	6539	96312	-23.3
Tissue Paper	3758	3883	209	302	178	297	2578	-10.8
Paperboard, Total	243294	99357	25102	8514	26087	9997	256065	11.0
Convtd Paper & Paperbd Products	186803	166488	13379	13403	13415	13857	163723	-26.3
Wet Machine Board	5312	3797	400	315	475	434	5122	-8.7
Construction Paper & Board	24299	9409	1572	557	1350	600	19464	-26.4

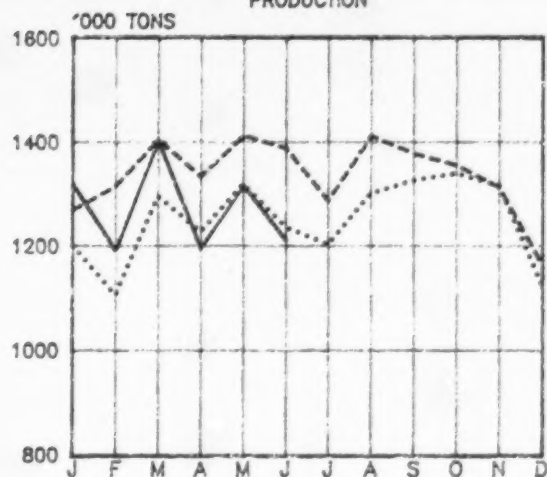
SOURCE: Bureau of Census, Department of Commerce.

E - Estimate of tonnage based on square foot data

19-Jul-85

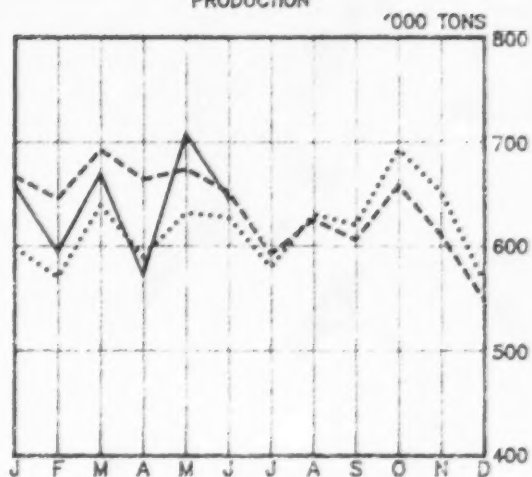
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



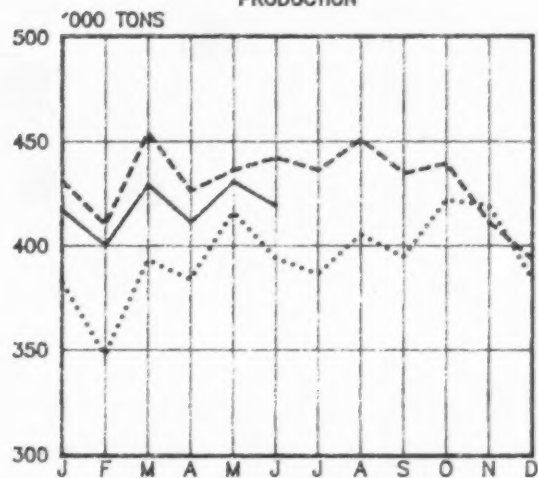
RECYCLED PAPERBOARD

PRODUCTION



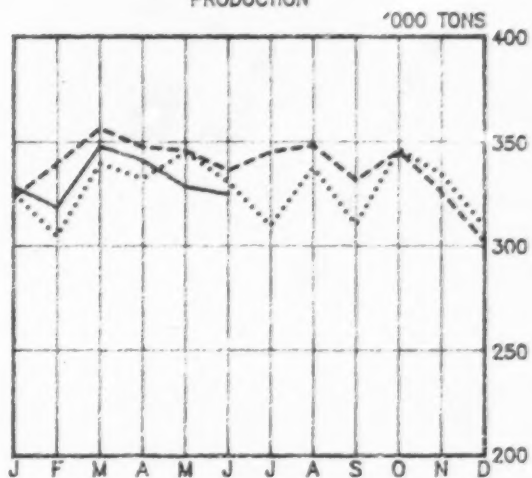
SEMICHEMICAL PAPERBOARD

PRODUCTION



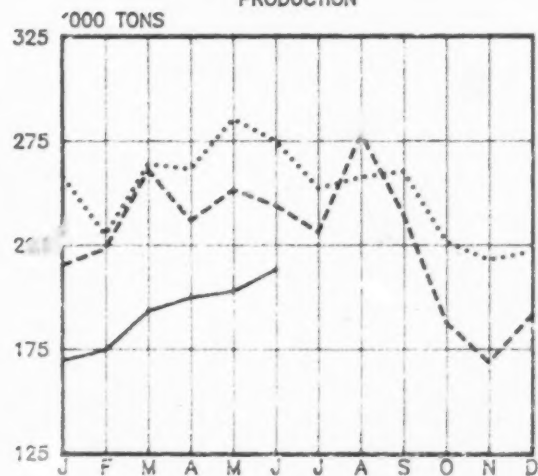
SOLID BLEACHED PAPERBOARD

PRODUCTION



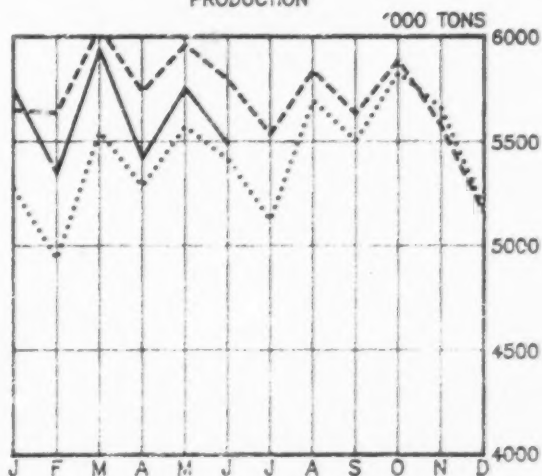
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1983 1984

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PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

Page 3

IMPORTS

	YEAR 1984		APR 1985		MAY 1985		(1) Annual Rate Y-T-D 1985	& Change from 1984 Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood Roundwood (cords)	207733	10615	2056	170	9152	126	63478	-61.2
Pulpwood Chips	2062545	45396	60306	1874	76789	2417	946488	-64.7
Total All Imports	15739471	7204351	1330241	603789	1383841	609226	16372112	9.0
Wood Pulp Total	4490081	1844768	334980	117076	380074	128634	4483358	2.5
Waste Paper	109712	11692	6827	827	6583	753	82134	-21.3
Other Fibrous Materials	64367	24097	9860	3260	9784	2939	104960	49.6
Paper Board & Products Total	11075312	5323794	978574	482627	987400	476895	11701440	11.8
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	10854312	4781475	958537	434636	956253	431739	11458930	11.7
Paper Ppbd & Prds ex Cnst&WMB	10575656	5207697	940156	473442	945064	466398	11264034	12.4
Paper & Paperboard Only	10354656	4665378	921119	425451	923917	421242	11021524	12.3
Paper Total	10112041	4591486	906527	420740	909105	416560	10839740	13.5
Newsprint	7893877	3299570	742662	320403	719738	310848	8591659	15.4
Printing & Writing	2042368	1168989	145958	88622	173265	94610	2036859	5.9
Uncoated Groundwood	1090049	548791	78692	42499	98806	48085	1097351	9.3
Coated Print. & Impreg. Pap.	428274	295844	40672	29973	37550	27196	583940	84.8
Uncoated Free Sheet	476950	284057	24049	13902	34209	17227	328180	-40.6
Uncoated Book	254926	156296	11441	6830	23218	11274	176401	-37.7
Writing and Similar Paper	222024	127761	12607	7072	10992	5953	151779	-43.6
Thin (except Cigarette)	46427	39513	2463	2170	2605	1998	26426	-47.9
Bristols	667	784	83	78	94	104	963	58.6
Total Pkg. & Other Paper	145484	102565	13665	8970	12670	8858	160143	-1.7
Unbleached Kraft Paper	42854	19568	4420	1861	3605	1471	47175	-7.9
Other Pkg. & Indust. Paper	102629	83997	9246	7109	9066	7387	112968	1.2
Tissue	30312	20362	4242	2746	3431	2244	51079	174.5
Paperboard, Total	242615	73892	14591	4711	14812	4683	181784	-31.1
Test or Containerboard	70028	22218	4578	1555	4037	1306	52546	-32.2
Semi-Chemical Corrugating	103968	26098	4058	881	6798	1714	60899	-48.5
Other Paperboard	68620	25576	5855	2275	3977	1663	68339	0.4
Convtd Paper&Paperbd Products	221000	542319	19037	47990	21147	45156	242510	17.8
Paper Products, Total	186199	474151	16899	42965	19493	41687	218330	23.6
Paperboard Products, Total	34800	68168	2138	5026	1654	3468	24180	-17.3
Wet machine Board	2826	2017	229	198	345	227	3177	-6.4
Construction Paper & Board	496830	114080	38189	8987	41991	10269	434228	-1.7
Notes								
Other: No Weight Avail. (\$000)		195737		16432		19240	204221	11.4
Total Imports Incl. Other(\$000)		7400088		620220		628466	7604614	10.5

EXPORTS

	YEAR 1984		APR 1985		MAY 1985		(1) Annual Rate Y-T-D 1985	& Change from 1984 Period Last Year
	Tons	\$000	Tons	\$000	Tons	\$000		
Pulpwood, Roundwood (cords)	95441	5714	5694	356	6410	386	39298	-30.4
Pulpwood Chips	2325213	164058	221022	16145	151063	11583	2235691	-0.9
Total All Exports	11300450	4524778	978986	357603	831484	317076	11038322	-2.1
Wood Pulp, Total	3593585	1501948	327837	116770	308724	109798	3740518	1.5
Cotton Pulp and Other Pulp	84883	63545	7763	5062	5094	4724	86453	-4.5
Waste and Old Paper	3235441	408128	287371	31925	215027	22220	3228058	6.1
Paper, Board & Products, Total	4386541	2551157	356015	203846	302639	180334	3983294	-10.7
Paper, Paperboard, Wet Machine Bd. & Construction Paper & Board	3818904	1789129	309801	140446	260526	121225	3455104	-10.3
Paper, Ppbd & Prod ex Cnst&WMB	4308873	2507184	350952	201039	296550	177010	3913468	-10.5
Paper & Paperboard, Only	3741136	1745156	304738	137638	254438	117901	3385278	-10.1
Paper, Total	810547	632490	68765	51694	60136	45264	822437	-4.1
Newsprint	306198	133964	30865	12044	22252	9087	328409	1.4
Printing & Writing	203156	219922	19308	18900	16760	16715	218336	0.5
Uncoated Groundwood	30405	28875	3709	3344	2367	2155	37986	23.0
Clay Coated Paper	85714	71365	7390	6132	6530	5416	83724	-12.9
Uncoated Free Sheet	65410	87255	6805	7645	5414	6699	76016	10.9
Other Printing & Writing	21627	32427	1405	1780	2449	2445	20611	-5.2
Total Pkg. & Other Paper	284185	259323	17332	19058	20187	17812	251464	-15.9
Unbleached Kraft	106712	44382	3941	2001	5844	2454	60389	-38.2
Other Pkg. & Indust. Paper	177473	214941	13391	17057	14343	15358	183074	-2.7
Tissue	17009	19281	1260	1692	937	1649	24228	38.1
Paperboard, Total	2930588	1112666	235973	85944	194302	72637	2562841	-11.8
Solid Wood Pulp	2761732	1040239	217868	79231	171373	64181	2337002	-15.1
Total Linerboard	2058034	628531	148576	40742	112692	30631	1637669	-18.0
Bleached Kraft Linerboard	141367	57784	6583	2239	6647	1834	115208	-10.7
Unbleached Kraft Linerboard	1916667	570743	141993	38504	106045	28797	1522461	-18.5
Other Unbleached Kraft	110878	51270	10954	4218	7860	3233	90211	-30.5
Other Bleached Kraft	543209	348218	51741	32507	46657	29178	549216	-5.1
Semi-Chemical Corrugating	49612	12220	6598	1764	4163	1138	59906	28.6
Recycled Paperboard	168856	72427	18105	6714	22929	8457	225039	46.7
Convtd Paper&Paperbd Products	567737	762028	46214	63401	42113	59109	528190	-13.0
Paper Products, Total	286403	516149	22262	43170	20868	41757	256293	-19.9
Paperboard Products, Total	281334	245879	23952	20230	21244	17352	271897	-5.2
Wet Machine Board	13782	7335	1370	714	1461	763	13659	-9.2
Construction Paper & Board E	63887	36638	3693	2094	4628	2561	56166	-21.2
Notes								
Other: No Weight Avail. (\$000)		8843		623		579	6812	-8.1
Total Exports Incl. Other(\$000)		4533621		358227		317655	4169382	-7.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.

(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	MAR.	APR.	MAY	JUNE	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	295.4	294.3	293.3	292.9	295.2	2.4
Pulp Paper & Products, ex. Build- ing Grades & ex Waste Paper *	273.3	293.8	297.5	296.7	295.8	295.5	297.4	2.9
Total Wood Pulp	347.1	395.0	353.9	347.9	342.4	346.1	357.0	-7.6
Total Paper	282.3	303.4	303.7	303.6	304.6	304.7	304.7	2.0
Total Paper, exc. Newsprint	277.0	301.2	298.4	297.9	300.1	300.1	299.9	0.4
Newsprint	303.0	324.1	332.4	332.6	332.9	333.7	333.5	6.4
Total Paperboard	250.8	280.6	285.7	284.0	282.1	276.1	284.1	4.2
Total Paper and Paperboard *	272.4	296.1	298.1	297.5	297.5	295.8	298.3	2.6
Converted Products	265.4	280.7	290.4	290.0	288.8	289.0	289.7	4.8
Waste Paper	158.6	240.1	170.2	154.4	144.0	141.6	165.6	-31.9
All Commodities	303.1	310.4	308.7	309.3	309.9	309.5	309.4	-0.1
Industrial Commodities	315.7	322.6	322.6	323.8	325.3	325.2	323.8	0.6

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor

* Computed by API

18-Jul-85

PAPER AND ALLIED PRODUCTS COMPANIES

SALES AND EARNINGS

	Sales			Net Profit After Taxes ^{1/}			Net Profit After Taxes As Percent of Sales	
	1985 (Million Dollars)	1984 (Million Dollars)	Change 85/84 %	1985 (Million Dollars)	1984 (Million Dollars)	Change 85/84 %	1985 %	1984 %
<u>32 Paper and Allied Products Companies</u>								
First Quarter	11,094	10,843	+2.3	498.4	496.5	+0.4	4.5	4.6
Second Quarter	11,568	11,618	-0.4	562.9	678.0	-17.0	4.9	5.8
First Half	22,663	22,461	+0.9	1,061.2	1,174.6	-9.7	4.7	5.2
<u>4 Forest Products Companies</u>								
First Quarter	3,210	3,155	+1.7	91.8	115.5	-20.5	2.9	3.7
Second Quarter	3,624	3,544	+2.3	133.4	198.0	-32.6	3.7	5.6
First Half	6,834	6,699	+2.0	225.3	313.5	-28.1	3.3	4.7

^{1/} As Published

NOTE: Detail does not always check because of rounding.

Some of the strength in the domestic shipments uncoated free sheet papers reflected a shift to domestic sources of supply. Imports of these papers in the first five months of 1985 were 41% below the comparable year-ago level and accounted for 3.3% of the total new supply, compared to nearly 6% for all of 1984.

Shipments of these papers to their various markets in the first half of 1985 showed divergent trends. Shipments for office copy papers, business forms converters and commercial printing showed gains, while shipments to book publishers and envelope and other converters declined.

Packaging and Other Papers: Production of these grades of paper declined by 9.5% over-all, with unbleached kraft papers down 9.6% and other paper production down 9.2%. The declines in shipments of unbleached kraft papers were spread throughout the market structure, with grocers bag and sack papers and multiwall bag papers showing less than average declines while the converting and wrapping grades, and other bag and sack papers showed above-average declines.

Paperboard: Within the paperboard sector declines ranged from 6% in the production of unbleached kraft linerboard to 3% in solid bleached paperboard output (see table on page 3 and yellow industry Fact Sheet). The over-all decline in production, as noted above, was 4.6%.

Much of the decline was centered on production for export, with total production for export down 19% from the year-ago level, the result of a 24% decline in unbleached kraft linerboard exports and a 6% decline in exports of solid bleached paperboard.

Containerboard: Production of containerboard for domestic use --used largely in corrugated shipping containers-- declined by 3.6%, compared to a 2.8% decline in shipments of corrugated shipping containers in this same period. Inventories of containerboard at paperboard mills declined in June, but were still considerably above their year-ago level. Total inventories of containerboard at mills and fibre box plants also declined during June to a level equivalent to 7.5 weeks of supply, compared to 8.1 weeks at the end of the first quarter of 1985 and 7.1 weeks at the end of June 1984.

The relative stability in the shipments of fibre boxes in the first half of 1985 reflected in the trend of industrial production. In the first six months of 1985 total industrial

production averaged 124.1 (1977=100), with the monthly rates well within one per cent of that average. The important non-durable consumer goods index averaged 122.4 (1977=100), with the trend tilted slightly upward: the June level was 2.3% above the January level. The first half 1985 average was 1.8% ahead of the total 1984 index.

Boxboard: Production of boxboard for domestic use showed a somewhat stronger pattern than did containerboard. The first half 1985 production rate was 1.5% below its year-ago level and 0.3% below the average rate for all of 1984.

Among the major boxboard grades, production of folding boxboard for domestic use was 1.2% below its year-ago rate in the first half of 1985, with the solid bleached grades down 3.1% and the recycled grades up 0.3%. The milk carton and food service grades showed a more erratic pattern, with production of milk carton stock for domestic use down 6% and production of cup stock up 5%.

FIBROUS RAW MATERIALS

Production of chemical paper grade market pulp in the first half of 1985 was 1.6% above its year-ago level while shipments were 1.4% higher. The increase in shipments reflected a 40% gain in shipments to countries other than Western Europe and Japan, largely offset by declines in domestic shipments and in shipments to Western Europe and Japan.

Inventories of chemical paper grade market pulp in the United States declined in June, continuing the trend evident during the earlier months of the second quarter. As of the end of June inventories were 24% below the February 1985 peak and equivalent to about 32 days of supply, compared to 48 days of supply at the end of February. Inventories of market pulp at paper and paperboard mills have also been declining; as of the end of May 1985 the level was 29% below its year-ago level.

SALES AND EARNINGS

Data published in the press on sales and earnings of 32 paper and allied products companies for the first two quarters of 1985 point to a small gain in the sales volume and significant decline in net income after taxes. The first half 1985 sales total was 0.9% over its year earlier level, while net income after taxes fell by nearly 10%. In the first quarter of 1985 sales were up by 2.3%, profits were up 0.4%; in second quarter of the year sales volume were slightly below those of a year-ago, while net income after taxes fell by 17%.

The lower table on page 10 summarizes the sales and earnings data for these 32 companies for the first and second quarters of 1985, together with comparable data for 1984. The table shows similar data for four wood products companies.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

July 30, 1985

	June		PRODUCTION (000 TONS)				% Change
	85	May 85	June 84	Jan. 85	-	June 84	
PAPER GRADES	P	R					
Newsprint	449	461	468	2741		2803	-2.2
Printing & Writing	1486	1548	1548	9305		9346	-0.4
Uncoated Groundwood (s)	124	116	131	736		801	-8.1
Coated Paper (s)	468	496	528	3081		3145	-2.0
Uncoated Free Sheet Paper (s)	782	823	770	4813		4694	2.5
Thin Paper (s)	25	24	25	144		144	0.0
Cotton Fiber Paper (s)	12	13	12	72		76	-5.0
Bleached Bristols (s)	75	77	81	459		486	-5.5
Tissue Paper	418	419	400	2467		2429	1.6
Total Pkg & Other Paper	418	444	455	2612		2885	-9.5
Unbleached Kraft Packaging & Indl. Converting (s)	267	290	300	1705		1887	-9.6
Other Paper *	151	154	155	907		999	-9.2
TOTAL PAPER	2771	2872	2871	17126		17463	-1.9
PAPERBOARD GRADES							
Unbleached Kraft Paperboard	1326	1418	1495	8225		8722	-5.7
Unbleached Kraft Linerboard	1211	1316	1388	7637		8124	-6.0
Other Unbl. Kraft Paperboard	115	102	107	587		598	-1.7
Semichemical Paperboard	419	431	443	2509		2601	-3.5
Bleached Paperboard	325	328	336	1988		2049	-3.0
Recycled Paperboard	646	708	652	3849		3995	-3.7
TOTAL PAPERBOARD	2716	2886	2926	16570		17367	-4.6
TOTAL PAPER AND PAPERBOARD	5487	5757	5797	33696		34831	-3.3
WOOD PULP (ALL GRADES)	May 85	Apr. 85	May 84	Jan. 85	-	May. 84	% Change 85/84
Dissolving & Special Alpha	112	104	109	539		535	0.7
Bleached Sulfite	131	123	117	599		583	2.7
Unbleached Sulfite	16	17	26	96		121	-21.3
Bleached & Semi-Bl. Sulfate	1805	1833	1867	9382		9305	0.8
Unbleached Sulfate	1674	1533	1812	8171		8735	-6.5
Semichemical	352	333	351	1696		1734	-2.2
Groundwood & Thermomechanical	443	448	473	2246		2318	-3.1
TOTAL PULP DIVISION DATA	4532	4391	4756	22727		23331	-2.6

(s) - Shipments
P - Preliminary

R - Revised

July 31, 1985

	Full Year		INDUSTRY DATA			Ann. Rate Year - To - Date	% From Same Pd. Last Year
	1983	1984	R April	P May	P June		
PAPER AND PAPERBOARD -- Tons (000)						1985	
Total Production (API)..... excluding :...	65000	68457	5420	5757	5487	67342	-3.3
Total Seasonally Adjusted.....construction:...			5336	5524	5518	66637	-2.6
Imports (including Products): and wet :..E	8509	10576	940	945	387	11162	8.6
Exports (including Products): machine :..E	4501	4309	351	297	169	4000	-10.7
Apparent Consumption..... grades :...	69008.4	74724.0	5925	6172	6036	73798.0	-0.5
Paper Production & Tonnage Capacity.....	92.00	93.40	93.2	90.1	89.4	91.6gh	-
Paperboard Production & Tonnage Capacity.....	90.82	94.32	86.0	89.4	90.0	91.5g	-
IMPORTS.....Including Construction and :...	8985	11075	1087	979	987	11701	11.8
EXPORTS..... WMB Grades (excl. HPB) :...	4568	4387	361	356	303	3982	-10.7
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6891	610	563	539	6910	1.2
TOTAL WOOD PULP PRODUCTION - Tons (000)....(f)...	52537	55548	4841	4391	4532	54546	-2.6
WOOD PULP IMPORTS - TONS (000).....	4093	4490	460	335	380	4483	2.5
WOOD PULP EXPORTS - TONS (000).....	3644	3594	399	328	317	3759	2.0
RAW MATERIALS CONSUMPTION - Tons (000)							
...PAPER AND BOARD MILLS : excluding :							
Wood Pulp.....consumption for:.....	51434	54664	4778	4339	4491	53606	-2.9
Waste Paper.....construction & :.....	14696	16015	1360	1245	1208	15232	-6.7
TOTAL..... WMB grades :.....	66130	70679	6138	5584	5699	68838	-1.8
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	83608	87646	7651	7148	7072	87036	-1.8
EMPLOYMENT (000)							
Paper and Allied Products.....Total.....	661.6	682.3	678.3	680.5	690.0	680.9	0.1
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	257.5	257.6	259.9	259.8	-1.2
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS (\$)							
Paper and Allied Products.....	9.94	10.44	10.72	10.75	10.77	10.71	4.0
Pulp, Paper Mills.....	11.70	12.45	12.85	12.94	13.05	12.88	5.6
Paperboard Mills.....E	12.11	12.99	13.46	13.59	13.46	13.38	5.2
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS (Rept. by US Dept. of Com., Ann. Rates, Bill.\$)*	5.92	7.15	1984 Q3 7.33	1984 Q4 7.99	1985 Q1 7.58	7.83y	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....							
IN PULP, PAPER :...Production Workers.....	118.0	120.0	113.5	120.2	114.1	117.2	-1.0
AND BOARD MILLS:....All Employees.....	116.9	118.8	112.1	119.0	113.0	115.7	-2.0
PAPER AND ALLIED PRODUCTS (Million \$)							
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8047	8029	8190	97238	3.5
Pulp, Paper and Paperboard*.....	36346	41539	3504	3534	3436	41988	2.5
Inventories (End of Period) - Total Industry*..	8729	9701	9942	9782	9690	9690	5.1
Pulp, Paper and Paperboard*.....	3263	3662	3814	3742	3723	3723	10.0
Sales (Corporations Only).....	65008	71891	18096	17642	17797	71188	1.9
Earnings (Corporations Only).....	2327	3015	951	493	718	2872	14.1
Depreciation (Corporations Only).....	2607	2798	706	700	765	3060	10.4
Net Worth (Corporations Only).....	27219	28160	28806	28160	29241	29241	5.9
PRICE INDEXES (Bureau of Labor Stats:1967=100)							
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	294.3	293.3	292.9	295.2	2.4
Wood Pulp.....	347.1	395.0	347.9	342.4	346.1	357.0	-7.6
Waste Paper.....	N.A.	240.1	154.4	144.0	141.6	165.6	-31.9
Paper.....	282.3	303.2	303.6	304.6	304.7	304.7	2.0
Paperboard.....	250.8	280.6	284.0	282.1	276.2	284.1	4.2
PAPER DEMAND (INDEXED: 1967=100)							
Total Paper Production *.....	157.0	164.3	159.3	159.8	162.4	162.6	-1.2
Paper New Supply *.....	147.2	160.0	159.0	160.2	159.3	161.2	1.4
Total End - Use Index *.....	157.8	172.5	178.7	181.4	181.3	178.1	4.9
Production of Nondurable Goods *.0.(19%)*...	168.0	179.4	179.6	180.5	181.1	179.5	0.6
Disposable Income (Constant \$) *...(.23%)*...	163.4	174.6	180.1	182.8	178.9	178.5	3.4
Total Printing and Publishing *.0.(58%)*...	152.3	169.4	177.9	181.2	182.3	177.6	6.9
Trend Factor						Not Available	
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.2	148.9	134.5	143.9	141.3	142.9	-3.9
Production for Domestic Use.....	135.5	145.4	134.2	149.5	139.4	143.2	-3.9
Total End - Use Index *.....	148.9	161.6	163.3	163.6	163.7	163.1	1.6
Production of Consumer Goods *.0.(60.49%)*...	151.8	161.6	163.2	164.1	164.4	163.2	1.4
Production of Equipment *.0.(6.62%)*...	140.8	164.0	174.2	174.9	175.7	173.8	9.8
Production of Materials *.0.(32.89%)*...	145.2	161.1	161.2	160.3	159.9	160.9	0.2
Trend Factor						Not Available	
NEWSPRINT MARKETS							
Consumption by Publishers - Tons (000).....	11671	12612	1107	1048	1096	12403	1.1
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	449.7	449.6	451.6	449.6	2.8
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	13418	14186	13306	148851	-1.9
WHOLESALE SALES AND INVENTORIES (Million \$)(j)							
Total Paper & Pap. Prdcts., ex Wallpaper, Sales	22776	26532	2882	2900	2862	33811	11.0
Inventories (End of Period).....	1885	2341	2874	2884	2914	2914	14.6
FIBRE BOX DATA (Fibre Box Association)							
Fibre Box Shipments (Million square feet).....	252539	267549	22631	22350	21245	262440	-2.8
Container/bd Inventory at Mill & Plant(000Tons).	2437	2882	2987	2945	2826	2826	6.3
RETAIL TRADE (Million \$)							
Total Retail Sales *.....	1171915	1291835	111854	114584	111678	1126368	5.9
Nondurable Goods Stores Sales *.....	793198	841417	72089	72014	72040	71040	2.7
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*.#	147.6	163.3	166.1	166.2	166.5	165.8	2.7
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)...	303.1	310.4	309.3	309.9	309.5	309.4	-0.3
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	299.4	311.1	320.1	321.3	322.3	319.3	3.7
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion \$)...	387.9	461.0	471.6	479.9	488.7	488.7	20.6
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions)...			1984 Q3	1984 Q4	1985 Q1		
G.N.P. or Expenditure - Current \$.....	3304.8	3662.8	3694.6	3758.7	3810.6	3810.6	7.2
G.N.P. or Expenditure - 1972 \$.....	1534.7	1639.3	1645.2	1662.4	1663.5	1663.5	3.3

PapsPapbd Othr Totl Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 627 + 18 = 645 234.9

.E - Last month estimated by API

.o - estimated by API

Z - Wood Pulp Production excludes def., explo. & scrags.

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by

U.S. Dept. of Com.

* - Seasonally Adjusted

June data estimated from published F.R.B. reports.